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The Nation's Business

Canada and Coal

Some Limitations of Suggested Solutions of Fuel Problem

A Milestone Passed

Provinces and Ottawa Dispute Powers

SOME doubt has been raised as to whether the subsidy offered by the Dominion government to coking plants using Canadian coal will really aid the Nova Scotia mining industry and help make Canada independent of imported fuels. The first large coking plant to be announced since the government proposal was put into concrete form will be operated without benefit of subsidy and presumably without Canadian coal, or using but a small proportion in any event. Its backers openly spurn the governmental bonus, and thus declare their conviction of the economic unsoundness of trying to coke Nova Scotia bituminous coal for sale in Montreal and vicinity.

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THERE are harsh critics who declare that the government never felt that its coking plant subsidy would really help the Nova Scotia coal industry but that it was anxious to make a gesture that would satisfy the Maritimers. The Financial Post prefers to believe, however, that the government desired to make a genuine experiment to determine if a substantial annual subsidy would not attract Central Canada to the use of Canadian fuels and by overcoming some of the handicaps that Nova Scotia coals face, such as the cost of the long haul, the inferior quality of the coal when compared to some of the coals easily available to Central Canada from the United States, and the high costs of mining in Cape Breton. And if the proposal does not prove valuable at the present time in promoting the use of Maritime coals in Central Canada, it does not follow that the conditions will never change, and Nova Scotia coal comes in for some real benefit under the scheme. This point is well emphasized by Lesslie R. Thomson, M.E.I.C., consulting engineer, of Montreal, in his article in this week's issue on "Coal and Canada."

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MR. THOMSON is well qualified to speak on Canada's coal problems, having been associated with Canadian coal studies in an official capacity, and he outlines the Canadian fuel problem with the utmost frankness and without any attempt to mix a pleasing draught for the coal producing areas. Mr. Thomson emphasizes the economics of the situation which at the present time are somewhat against the larger use of Canadian coals in Canada. This is not a particularly pleasing outlook and Mr. Thomson will have his critics. But it is an attempt to face the facts and does indicate that the problem of the larger utilization of Canadian coals is far from being solved.

Present prospects are that progress will be made in getting Alberta and Nova Scotia coal into Ontario and Quebec, and in reducing in other ways our dependence upon American sources of supply, but that progress will necessarily be somewhat slow.

In the meantime no substantial advance in the Ontario consumption of Alberta coal need be expected in the coming winter for the Board of Railway Commissioners has not yet seriously begun to study the problem of transportation costs, that is involved,

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THERE is distinct need for the annual conferences that are held between the provinces and the federal government. In the matter of attempting to avoid duplicate taxation the advantages of such conferences are apparent. There is another field for discussion that is also of considerable value; that is in the demarcation of the respective fields of authority of the Dominion and the provinces in the incorporation, registration, licensing and general supervision of incorporated companies.

Some current embers in this field threaten to burst into open flame. Particularly is this true of the licensing and control of insurance, trust and loan companies. The Dominion government grants licenses and exercises a measure of supervision over many such companies. The provinces have licensed other companies. The arrangement has gone on under sufferance from both parties for many years. Now some of the provinces are challenging the Dominion's right to license or control any companies at all in these lines of business. Soon we may expect to have open conflict on the entire question of incorporated companies, whatever their business. It is to avoid this that the Dominion and the provinces should get together and hold a frank, honest discussion, an attempt to avoid costly litigation. Recourse to the courts to solve the problem cannot be avoided entirely, it seems necessary to admit. But business demands that it not be made the innocent victim of a dispute between big town and small town politicians.

NEW CORPORATE FINANCING NEARS $200,000,000 MARK

Pulp and Paper Securities Attract the Greatest Interest

MONEY IS PLENTIFUL

Number of Issues Placed by American Interests — Estimated Canadians Invested About $125,000,000

Greater activity in industrial undertakings during the past eighteen months, has brought about the expansion of many companies in order to cope with increased business. In addition there has sprung up a number of new organizations, primarily for the purpose of exploiting the country's natural resources. As a result the amount of new corporate financing undertaking since the beginning of the year up to and including May 20, totalled $196,511,900. This amount represents new capitalization and while all was not subscribed in Canada, it is estimated that at least $125,000,000 was put up by Canadians.

Pulp and Paper Stocks Popular

In a number of instances, established companies have undertaken refunding but this was not taken into consideration in compiling the above figure. It is noteworthy that the pulp and paper industry continues to attract the largest amount of capital. Power securities have also been highly popular and a number of new issues have been put out this year. In a number of instances, holding companies for power securities have been formed. Breweries have also attracted attention in Ontario and at least six stock issues have been offered to the public. In the following table is shown the distribution by divisions of the new capital raised this year:

Pulp and Paper	$46,275,000
Brewery	5,180,000
Power	22,862,500
Food and Stores	13,150,000
Utilities	4,225,000
Miscellaneous	104,819,400
Total	$196,511,900

Large American Investments

Although the amount of new financing undertaken in January was not unusually large, the total for February jumped to nearly $100,000,000. This was brought about by flotation of the large issue of the Aluminum Corporation, amounting to $60,000,000, both in Canada and the United States. While it is recognized that not all of the money raised in this manner will be invested in their enterprise at Arvida, it was stated in the prospectus that much of the proceeds would go toward the completion of their development in Northern Quebec. The same situation exists in regard to the $15,000,000 Canadian National equipment certificates, which were largely sold in the United States. March was a quiet month, but April and May saw a number of new issues put on the market, as will be seen from the following:

January	$13,200,000
February	98,005,000
March	12,387,500
April	49,654,400
May (20th)	23,265,000
	$196,511,900

Plenty of Funds Available

One of the primary causes for this large amount of financing, aside from the general improvement in business conditions, is the amount of money available for investment at low cost. It is estimated that between $50,000,000 and $75,000,000 is being received by Canadians each month from investments both at home and abroad. Bond issues of the better grade have been readily bought and the yield on this class of security now ranges below 5 per cent. The desire for better yields, has created a demand for good common and preferred stocks. Thus the new issues brought out this year have met with good receptions and the amount of money available for further investment shows no sign of falling off.

Water Deal Decision to go to Higher Court

From Our Own Correspondent.

MONTREAL.—The action of the Montreal Board of Trade to annul the purchase of the Montreal Water and Power Company by the city of Montreal has been dismissed by the Superior Court of the province of Quebec, but the solicitors of the Board of Trade have stated that the judgment of the court will be appealed.

Justice Bruneau, before whom the action came, upheld the contention that the board had failed to establish any interest in the purchase, other than that belonging to the mass of ratepayers in general.

Canada Led World in 1926 in Output and Export of Newsprint

Canada was not only the world's leading producer but the leading exporter of newsprint paper in 1926.

The world production of newsprint paper in 1926 was something in excess of 6,100,000 tons, of which North America supplied 61 per cent.

The best figures and estimates the Newsprint Service Bureau has been able to collect from a variety of sources are given below:

Country	Production	Imports	Exports	Available for Home Consumption
Canada	1882,000	......	1,782,000	150,000
United States	1687,000	1,852,000	19,000	3,520,000
Great Britain	562,000	226,000	106,000	682,000
Germany	499,000	......	138,000	361,000
Sweden	220,000	7,000	186,000	41,000
Japan	251,000	1,000	24,000	228,000
Newfoundland	186,000	......	185,000	1,000
Finland	182,000	......	173,000	9,000
Norway	165,000	......	153,000	12,000
France	100,000	157,000	......	257,000
Netherlands	77,000	25,000	35,000	67,000
Italy	70,000	163,000	54,000	179,000
Belgium	53,000	10,000	7,000	56,000
Austria	47,000	......	40,000	7,000
Czechoslovakia	39,000	......	19,000	20,000
Russia	......	......	......	......
Spain	26,000	7,000	......	33,000
Estonia	19,000	......	9,000	10,000
Denmark	16,000	10,000	......	26,000
Poland	14,000	2,000	......	16,000
Mexico	13,000	1,000	......	14,000
Latvia	3,000	7,000	......	10,000
Total	6,111,000			

(Figures in tons of 2,000 lbs.)

In connection with the foregoing figures, it should be particularly noted that actual consumption in 1926 in several countries was undoubtedly quite different from the amounts calculated as available because of accumulations of stocks or vice versa.

International Petroleum to Increase Production by 40 Per Cent. at Same Cost

Surplus Production Must be Only Temporary Condition With Imperial Subsidiary in Most Favorable Position

Severe drops in the prices of crude oil owing to the overproduction prevalent in the last several months, is a factor of importance in the estimation of the earnings of producers, refiners and distributors of oil and gasoline, especially if, as is true in the United States to an apparently greater extent than in Canada, the distributing companies have been passing on these lower prices to consumers.

Imperial Oil, it has been said, has been showing much less profit in the last four months than at any other time in recent years for the reason that its contracts for crude oil are not affected by the fluctuations in the market for so-called spot crude. On the other hand, it is pointed out, that so far, Imperial Oil and other companies distributing gasoline in Canada have not found it necessary to reduce consumer prices materially, so that the losses due to the drop in crude must bear most severely on Imperial Oil's sales of crude elsewhere. This business is handled through a subsidiary, it being assumed that all the oil produced in the Alberta field is consumed in Canada.

More Oil at Same Cost

The subsidiary which is taking a place of increasing importance in the oil-production industry is International Petroleum, and its subsidiary, Tropical Oil Co. The latter company at the moment is taking 30,000 barrels of crude per day out of the Colombian wells through a pipe-line built by Andian National Corp., (there is no apparent corporate connection between these two companies). The point of interest is that by July 1st, the capacity of this pipe-line will be so increased that 50,000 barrels per day of crude will be taken out at virtually no increase in cost.

An increase in production of from 30,000 to 50,000 barrels per day at no increase in cost is a factor which places International Petroleum in a most favorable position among the oil stocks at the present time. In the last analysis, the position of the company is highly favorable from an investment viewpoint, although this company follows the policy of others of the Standard Oil group in failing to publish balance sheets or otherwise to give information which normally is accorded a shareholder.

Surplus is Temporary

It is safe to assume that the overproduction in crude oil is only a temporary condition. As a permanent investment, a company such as International Petroleum, with valuable oil concessions in some of the richest fields in the world, with corporate relationship with the oldest and most successful of oil companies, and with the world-demand for oil ever on the increase, must hold a high place.

Following are excerpts from a re-

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Coal and Canada

Establishment of By-Product Coke Plant in Montreal — A Significant Move in Our Attempt to Solve National Fuel Problem

By LESSLIE R. THOMSON, M.E.I.C., Consulting Engineer, Montreal.

The importance of power to an industrial civilization is profound, and of all sources of power, coal is by far the most important. Before the dawn of the industrial era, work was performed in the main by the muscular energy of men and animals, assisted to some slight extent by windmills, crude water wheels, and other simple mechanical contrivances. But in a short 150 years man has created an absolutely new civilization based on the utilization of energy. This mechanized and sometimes unlovely civilization is founded beyond peradventure upon these three: coal, petroleum, and water power, and of these the greatest is coal.

Is Out of Proportion

The niche in the public mind occupied to-day by water power is out of proportion to the total relative importance of water as a source of energy compared to that of petroleum and coal. If every water power in North America could be, and were developed, the resulting power would not be sufficient to replace stationary steam plants. In addition, it would still be necessary for coal and petroleum to supply power for locomotives, motor cars of all kinds, and domestic heating. For the moment practically all automotive power is supplied by the products of petroleum. But petroleum is a natural resource concerning the future supply of which there is very grave doubt. The reserves of oil are obviously not like the widow's cruse; but the coal reserves of this continent are of colossal size. Fortunately the newer technology of coal permits, not only its direct utilization for steam, but also permits its efficient application to power plant and automotive use. It is thus easily seen that coal, both by its direct and indirect importance, occupies the basic position in our present industrial fabric. Cut off the supply of coal and our whole industrial civilization comes tumbling about our ears.

Wise Policies are Necessary

If therefore this be the predominant position of coal, it is highly desirable that financial and industrial leaders give thought to the constitution of coal and to the development of a wise fuel policy in Canada.

In the past it is probably a fair statement to say that the public's conception of the definition of coal would run somewhat as follows: "Coal is something hard, black, and shiny, which burns. It is sold by the ton, and therefore the less you pay per ton, the cheaper are your resulting costs. At

(Continued on page 5)

Davies "A" Stockholders May Get Seven Per Cent. Shares in Merger Plan

Packer Merger Nears Stage Where Announcement May Be Expected

60,000 SHARES ARE OUT

Harris, Gunns and Davies Will Enter Amalgamation on Equal Terms, it is Stated Authoritatively

New 7 per cent. stock, it is reported, will be issued to replace the William Davies A stock when the merger of various Canadian packing plants is effected. The present Class A stock is $4 cumulative. The basis of the exchange has not been divulged, if it has been determined. Dividends are in arrears since 1921.

The William Davies Co., it is said, will go into the merger on about an equal basis with the combined Harris Abattoir Co. and Gunns, Ltd. The Harris interests acquired Gunns about two months ago. Steps are already being taken to consolidate the two businesses, although the trade names will be retained.

The only other company which will be included in the merger is Canadian Packing Co., which is a subsidiary of Allied Packers, Inc., and which formerly was the Matthews-Blackwell Co.

Davies A is the only stock involved in the proposed merger in which there is a public interest at this time. Of 91,000 shares of the A stock as shown to be outstanding on the transfer books, it is known that the company itself, or officials of the company, in recent months have bought in upward of 30,000 shares, so that there is only 60,000 shares in the hands of the public. The price in the last several days has remained firm despite much profit-taking.

The Davies B stock, 66,000 shares, is held almost entirely by two persons.

Gunns, Ltd., ceased to have a public investment interest two months ago, when new preferred stock was redeemed at $103.50 a few days after the certificates had been mailed to holders. This was the stock given in exchange for claims of stock of three times the par value and accrued dividends to the amount of $156. The common stock in the new company passed to the Harris interests when that company took over the business and guaranteed the trade and other obligations of Gunns. The Harris company always has been privately owned. The only investment interest in Canadian Packing Co. is indirectly through Allied Packers, a company operating in the United States.

Bridge Plans Melon; Nature Yet Unknown

From Our Own Correspondent.

Montreal. — The Financial Post hears that there is no truth in the rumors indicating that the Dominion Bridge Company will reconstruct its capitalization by the issuance of new preferred shares. The action of the stock though indicates that probably they have something in mind which will benefit the shareholders.

Many investors are busy trying to figure out just what the future holds. It is felt that there is a possibility of the shares being split four for one. Others believe that steps leading to a complete merger with the Dominion Engineering Works will be undertaken and that shareholders in both companies will obtain shares in a new company. But by those fairly well posted on Dominion Bridge affairs it is thought that these rumors are decidedly premature.

ACQUIRE DENNISTEEL

Charles Burns and two associates of London, Ont., have purchased from the Dennis Wire & Iron Works Co. that company's controlling interest in Dennisteel, Ltd. On assuming control of the company, the new owners of the stock will pay all liabilities in cash and provide sufficient capital for new equipment and operation.

Preston Feature Will Help Bring Industries

The story of Preston, Ontario, is told in a special section of The Financial Post this week. It will have an especial interest for industrialists, indeed for all readers.

This Preston section is one of a series dealing with Canada's industrial centres. It is believed that the wide dissemination of information on the attractive features of such communities will do much to secure for Canada more industries and to increase the purchase by Canadians of the merit products of Canadian manufacturers.

Wheat Champion Sees Good Crop

Seager Wheeler, of Rosthern, Sask., five times winner of the World's Wheat Prize at the International Grain and Hay Show, says that notwithstanding the somewhat extended wet weather this spring in Western Canada, conditions for a good crop are very encouraging. He is of the opinion that there is now sufficient moisture in the ground to carry the crops on to June, and then, given two or three moderate downpours of rain, a good harvest should result.

AGAIN DENY THAT WALKER AND G.&W. WILL BE MERGED

Much Published Rumor is Given Denial in High Circles

Toronto financial circles persist in declaring that Hiram Walker and Gooderham & Worts distillery companies shortly are to be merged. Some of the brokers who publish market letters even have gone so far as to give details of what purports to be the financial readjustment of capital whereby the two properties would assume a common corporate entity.

The Financial Post three weeks ago asserted that, so far as the directors of either company are aware, no merger is in sight. The situation since has not been changed, according to information which comes from a source which always has proved reliable.

Price Bros.' Operations at Satisfactory Level

By Staff Editor.

CHICOUTIMI, P.Q. — While the output of the Canadian newsprint mills as a whole is running about 85 per cent. of capacity, the mills of Price Brothers and Company at Kenogami and Riverbend are operating considerably in excess of this figure. The company is carrying out some experimental work with the newly installed Minton dryer at the Kenogami plant; this curtails the production of this mill somewhat. But at Riverbend, both the newsprint machines are being operated practically at capacity.

At Riverbend also the company is steadily carrying on construction leading to doubling of the capacity of that mill by the close of the present year. Much of the work of installing the additional sulphate equipment has been completed, and work on the foundations of the new machine room is under way. The company will undertake no financing to complete this expansion — it will be accomplished out of earnings. The Riverbend mill has a rated capacity of 200 tons and the Kenogami mill has a capacity of 500 tons daily.

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Background of Canadian Business

By JOHN E. LANGDON, Business Editor, The Financial Post.

WEEKLY REVIEW OF CONDITIONS

Low Interest Rates Have Steadying Influence on Business
Increase in Iron and Steel Output for Domestic Use
Marketing of 1926 Wheat Crop Making Good Headway
New High Mark Being Set in Revenue Freight Loadings

ONE of the principal reasons advanced for the large volume of merchandising and manufacturing recorded in the past eighteen months, is the downward trend of interest rates, which has been brought about by the vast improvement in European currency and the increase in bank deposits. Aside from the betterment in foreign exchange, it is noteworthy that at the end of March last, savings deposits in Canadian chartered banks totalled 1,396 millions of dollars, whereas current loans amounted to 995 millions, indicating a spread between the two items of nearly 400 millions. From 1911 to the late fall of 1920, current loans were in excess of or equal to savings, but from the latter point loans have dropped away sharply and the difference is now probably the greatest in the history of our banking institutions.

Ample Funds Available

All this means that the amount of money available in the savings banks is far greater than our present commercial needs. This, coupled with the easier money situation in New York has brought about a decrease in interest rates to a point where government bonds are now selling below 5 per cent. In addition, an item often overlooked is that of interest received on investments and foreign loans. It is estimated that Canadians are receiving from $50,000,000 to $75,000,000 a month from this source. Thus it will be seen that the amount of money available for loaning and reinvestment is ample for present needs.

Probably the most apparent result of easier money, is to be seen in the steady decline in wholesale prices. In the last twelve months index of commodity prices has dropped from a high of about 162 to a low of 148.6. In other words, present prices are 49 per cent. above those prevailing in 1913. Declining prices have caused the mercantile world to adopt a hand-to-mouth buying policy and as a result, in future the extremes of business fluctuations are going to be mitigated and, in particular, the periods of business reaction are going to be shorter than would otherwise have been the case.

Iron and Steel Output Up

Further evidence of greater industrial activity is to be seen in the report on iron and steel production during the past month. It will be remembered that this industry did not record any marked improvement last year, when allied lines were forging ahead to new highs. This year, however, the situation is reversed and it appears that the output of these two products is in keeping with that of other basic products. Production in April amounted to 77,240 long tons, an advance of 2 per cent, over the previous month, and 14 per cent over the same month a year ago. For the four months ending April, cumulative production was 330,659 tons, a gain of 27 per cent over the corresponding period of last year.

In the same month, steel production amounted to 109,107 tons, an increase of about 2 per cent. over March. Output. in April of last year was only 79,936 tons. It is significant that the gain last month was altogether in steel ingots produced for the further use of the makers. This would indicate that the industry is now feeling the full effect of the increased activities in the construction and automobile industries. During the first quarter, the amount of new building undertaken, as well as that reported in contemplation, was much ahead of last year and compares favorably with the records set in 1913 and 1914. Automobile production is also being maintained at the same rate as last year, which set a new high figure for the industry.

Wheat Crop Moving Well

It is evident from the government's report on wheat and wheat flour exports during the first nine months of the crop year ended July, 1927, that last year's wheat crop will be well distributed before the new wheat comes on the market this fall. The report shows that in this period over 200,000,000 bushels of wheat and 7,147,456 barrels of flour had been forwarded to foreign markets, whereas in the same period of 1926, 212,000,000 bushels of wheat and 8,162,973 barrels of flour had gone forward. In view of the smaller crop last year, this showing is very satisfactory and the carry over is likely to be smaller than usual.

International Business Greater

Except for the week of April 19th, car loadings this year to date have been greater than in the same period of 1926; in fact, the movement of revenue freight in 1927 is undoubtedly greater than for any other preceding year. During the week of May 7th, loadings totalled 61,662 cars, a slight drop from the preceding week but 4,291 cars greater than in the same week a year ago. Coal and merchandise continue to feature the reports. It is evident that the earlier opening of navigation, three weeks earlier than in 1926, has affected loadings but the increase in revenue freight is an excellent indicator of the greater activity in internal business.

The cumulative record for the first 18 weeks this year shows total loadings of 1,087,505, as compared with 992,358. The increase is due to the heavier movement of grain and grain products, coal, pulpwood, merchandise and miscellaneous loadings. On the other hand lumber, livestock, pulp and paper have failed to record any betterment over last year. From present indications, it is not expected that pulp and paper and other forest products will equal last year's movement, owing to the changes which have come over these industries in the past few months.

Canada Securing Larger Share Old Country Settlers

Report of the Overseas Settlement Committee, formed by the British Government five years ago for the administration of the Empire Settlement Act, for the years 1925 and 1926, shows that Australia has been receiving the largest number of migrants sent to the Dominions. During 1925, 39,559 settlers were assisted by the committee, of which number Australia received 22,527, Canada, 8,809, New Zealand, 8,097, and South Africa 126. Greater co-operation by the Canadian Government during 1926 resulted in a heavy increase in the number of settlers received by Canada, though there was also an increase in migrants despatched to the other dominions. Of the 66,103 settlers handled by the committee in 1926, 32,732 went to Australia, 21,344 to Canada, 11,796 to New Zealand, and 232 to South Africa.

The report of the committee gives much promise to the reduction from £3 to £2 of the minimum assisted passage rate to Canada and also to the progress of the 3,000-family scheme, under which aproximately 1,500 families, or 8,400 souls, were settled on farms in Canada by the end of last year. It is anticipated that from 80 per cent. to 90 per cent. of these families will make good. It is pointed out that inexperienced families, if they have the right spirit, seem to succeed just as well as the experienced. Families from coal mining districts show as good an average of success as any other families settled under the scheme.

It is understood that the number of applicants for passage under this scheme to Canada during the first quarter of the current year, far exceeded the number that could be handled and that arrangements are being made to increase the quota set for 1928.

Canadian Business Indicators

Compiled weekly by The Financial Post

	Latest: This Year	Latest: Last Year	To Date: This Year	To Date: Last Year
Production—(March)—				
Pig iron, tons (April)	77,240	67,607	255,289	227,248
Steel, tons, (April)	109,107	79,936	330,659	260,394
Newsprint cwts. (April)	166,460	151,739	654,264	581,183
Automobiles	22,623	22,374	56,654	56,691
Boots and shoes, pair (March)	1,787,581	1,686,665	4,705,686	4,208,075
Flour, bbls. (Jan.)	1,496,000	1,422,000	1,496,000	1,422,000
Construction—				
Contracts awarded (April)	$38,582,300	$37,292,000	$92,336,700	$83,218,000
Building permits (March)	$11,641,427	$10,634,491	$24,849,278	$22,493,574
Labor—Employment index (Apr.)	96.2	91.4	....	....
Transportation—				
Car loadings (to May 7)	61,662	57,371	1,087,505	992,358
C.P.R. gross (March)	$15,433,137	$14,261,819	$13,236,009	$40,344,958
C.P.R. gross (March)	$15,433,137	$14,261819	$43236009	$40344,958
C.N.R. gross (Mar.)	$23,137,167	$23,008,874	$65,512,461	$59,047,105
C.N.R. net (Mar.)	4,385,035	$ 4,313,354	$ 7,843,631	$ 7,465,310
Population—				
Emigration (Mar.)	4,981	6,993	15,291	21,293
Immigration (March)	20,271	15,229	29,956	21,949
Trade—(Feb.)—				
Imports	$74,706,654	$70,908,980	$153,512,654	$140,644,980
Exports	$75,533,607	$87,634,147	$150,799,607	$173,350,147
Imports of key products (Feb.)——				
Rubber, lbs.	5,869,000	4,901,000	4,336,000	4,901,000
Cotton, lbs.	12,278,000	19,209,000	21,278,207	19,209,000
Sugar, $	2,427,990	1,309,609	2,427,990	1,309,609
Petroleum, gal.	31,052,000	38,332,000	52,222,000	38,332,000
Coal, tons (Feb.)	1,706,237	1,120,487	3,269,233	2,329,748
Exports of key products (Feb.)—				
Newsprint, (cwt.)	145,263	128,964	304,129	272,003
Automobiles (pass.) (No.) (Mar.)	6,512	8,033	15,405	17,729
Wheat, bus. (April)	20,181,762	5,525,540	60,569,380	47,532,090
Wheat Flour, bbl.	415,209	681,777	2,966,502	3,542,281
Finance—				
Failures, number, (Mar.)	163	136	497	464
Failures, liabilities, (Mar.)	1,993,679	1,715,862	$8,095,140	$9,552,197
Bank debits (Mar.)	$2,600,367,571	$2,309,312,348	$7,512,444,519	$6,808,532,270
Bond sales (May 7)	167,619,782	290,263,037		
Stock prices index (May 7)	....	....	314.0	164.1
Insurance sales (Feb.)	$35,525,000	$34,744,000	$72,511,000	$68,651,000
Wholesale prices (1913-100))—				
General index (April)	....	....	148.5	160.2
Pig iron	....	....	143.7	145.00
Cotton	....	....	117.0	156.9
Grains	....	....	161.6	170.2
Cattle	....	....	122.4	106.4
Rubber	....	....	65.2	78.8

AUSTRALIAN TRADE AGENT FOR CANADA NOW SEEMS LIKELY

Failure to Secure Larger Market for Fruits, Impelling Motive

Further development of trade relations between Australia and Canada are dependent upon a greater give and take spirit between the two countries, according to R. V. Buckerfield, supervisor of foreign department of the Canadian Bank of Commerce, who has just completed an extensive tour of the Far East with a view to stimulating trade between this country and the Antipodes.

"During the visit of myself and associates," said Mr. Buckerfield, "we made an exhaustive investigation into conditions of the Commonwealth. We were much impressed with the prosperity which Australia has been enjoying for the past several years. Great progress is being made in developing the country's natural resources and, in some respects, developments along these lines have been similar to our own. They, too, are handicapped with a limited population. Consequently, they have enormous quantities of natural products which must be marketed in foreign countries, hence the consummation of the Australia-Canada trade treaty a short while back. Although this pact has been in operation long enough to allow of a definite opinion as to its value either to Canada or Australia, there appears to be an element of dissatisfaction among Australians that we are getting the best of the deal.

Economic Conditions Similar

"The similarity of economic conditions in the two countries has naturally limited the number of products that can be used as items of exchange. We in Canada, of course, have been shipping automobiles, farm machinery, newsprint and other manufactured products. On the other hand, Australia markets in Canada large quantities of wool, but demand for fruits and dairy products has not been as great as desired. When the treaty was signed, it was pointed out by the Australians that they wanted an outlet for their currants, raisins and other dried fruit in return for certain concessions given on Canadian products."

That the demand was not as great as desired, Mr. Buckerfield points out, is due not to inferior quality of the Australian products, but rather to the lack of an effective marketing agency in this country. A large part of the success achieved by Canadian manufacturers in placing their goods in Australia has been due to the activity of the Canadian trade commissioner in Australia. As an intermediary between the exporter and importer, the commissioner has performed much valuable work.

Will Appoint Representative

It has been pointed out to the Australians that if they are to secure a larger share of the Canadian market for fruits, they must have a representative in this country, not only to disseminate information about the Australian products but also to give reliable information to exporters. Now, says Mr. Buckerfield, the Australian government is seriously considering the appointment of a capable man to carry on work in Canada similar to that being done by Canadian trade commissioners in foreign countries. This move should be productive of good results and bring about a closer understanding of the way in which the two countries can work to greater advantage in the promotion of trade.

ATLANTIC AIRWAY LIKELY TERMINUS ON ST. LAWRENCE

Maritime Centres Do Not Find Favor With Air Experts

From Our Own Correspondent.

SYDNEY.—The Canadian terminus of the proposed Imperial trans-Atlantic air service will be somewhere on the St. Lawrence (near Montreal, or at Ottawa, it is gathered from the attitude of the advisory board headed by Major G. H. Scott, which does not seem greatly impressed with the utility of various sites in the Maritimes.

Although from the standpoint of ocean navigation Cape Breton ports are much nearer the Old Country than any other Canadian or American harbors, the aerial route proposed runs so far to the north of the ordinary steamship lanes that it makes Ottawa only 200 miles farther away than Sydney from Cardington, England, the home station.

Too Much Hilly Land

The board inspected suggested sites at Halifax, Sydney, Louisburg, North Sydney and Sydney Mines. The common failing of all these was that it was impossible to get the required 600 acres of fairly level land in one parcel. In Cape Breton particularly the greater part of the country is 'standing on end' being hilly and broken.

Major Scott made some amazing revelations as to the progress of aviation in Britain; one of his striking statements being that with four ships operating over the proposed route it will be possible to make it a paying proposition by charging merely the present first class trans-Atlantic ocean steamship fare.

The ships to be used will be 900 feet long and approximately as bulky in size and appearance as the Olympic, yet will weigh but 150 tons, and carry 100 passengers and 10 tons of baggage and mail, or high-class express goods and freight. The ship will have a cruising speed of 62 miles an hour, with a maximum of 80 and will be operated from England to Canada at a mere fraction of the cost of a trip of the Olympic.

Can be Built for Million

The capital-per-passenger-mile cost is much less than for steamers, the dirigible costing only $1,000,000 or less than a 100 passenger vessel could be built for.

In addition it has the small unit advantage that it is easier to find 100 passengers twice a week, than 400 passengers once every two weeks.

"The trans-Atlantic dirigible has become a practical commercial proposition," said Major Scott, who in 1919, as commander of the R-34, made the first and only round trip flight ever accomplished over the Atlantic between England and America.

Estimate 700,000 Acres of Fall Wheat to be Harvested

Approximately 717,100 acres of winter wheat will be harvested in Canada this year, according to an estimate prepared by the Bureau of Statistics, based on the estimated area of 823,700 acres sown to this grain last fall. The proportion reported as winter-killed is 13 per cent., or 106,600 acres. There is no change from last year in the percentage of winter-killed. For both years, however, this percentage is larger than that of any previous year since 1918 when the proportion winter-killed was reported as 52 per cent. The percentage reported for this year, viz., 13, is equal to the average for the ten years 1917-26.

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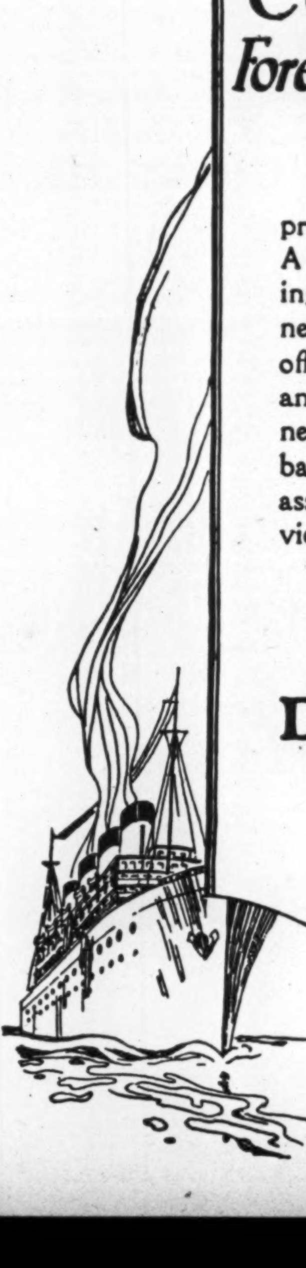

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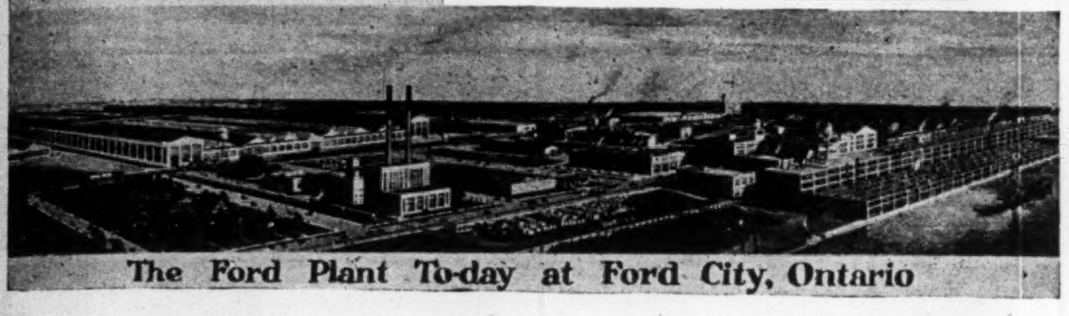
Originally a Canadian Company, Now American Controlled

The First Canadian Plant

Ford Motor Copmany of Canada was founded not by Henry Ford but by Gordon MacGregor, a Canadian, and it is said that Ford only owned 18 per cent. of the stock for many years. In recent years, however, American investors have picked up large blocks of the stock, which is traded in on the New York Curb, and it is believed that the American company has also been a buyer. Now 85 per cent. of the stock is held in the United States and the balance in Canada. The foreign holdings are so slight as to be of no importance. But it is said that no one group of people controls the company, so widely is the stock distributed.

Ford of Canada is an interesting proof that an American branch plant in Canada need not be owned outright by the American "parent" company and that such a branch plant may be at the same time a great Canadian institution.


The Ford Plant To-day at Ford City, Ontario

Canada and its American Branch Plants

By FLOYD S. CHALMERS

FIFTH ARTICLE: Movement Likely to Begin Anew Soon.

DESPITE the recent slowing up in the movement to establish American branch factories in Canada, there are many in intimate touch with the situation who expect to see quite a pronounced revival in the movement in the very near future.

A. Schwartz, industrial engineer of Montreal, who brought many of the American plants into the Eastern Townships when he was acting as industrial commissioner of the Southern Canada Power Company said:

"While there has been a slowing down in the movement of American plants coming into Canada, the movement has by no means ceased entirely nor in my opinion will it ever cease entirely.

"True, economic conditions both in the United States and in Canada govern the rapidity of this movement, but there have been periods similar to this recurring year by year.

"We are simply passing through a quiet period and I have no doubt that there is nothing in this temporary quietness to be concerned about."

Kirkpatrick Agrees

Considering the extent of Mr. Schwartz's own negotiations and his sources of information his forecast is most comforting. As we have seen in previous articles in this series, all of the conditions expected when many American branch plants came to Canada have not been fulfilled and there is indeed some conflict of opinion as to whether opportunities are really ripe for further establishment of such plants.

C. W. Kirkpatrick, industrial commissioner of the city of Hamilton, is very specific in defining his reasons for stating that Canada at the moment does offer attractions to American branch plants to establish in Canada. He says:

"Because we now have a stable government with every prospect of a stable, if not highly protective tariff.

"Because the period of after-war adjustment has passed and we are again doing business on a sane basis.

"Because the low water mark of industrial and business depression was reached more than a year ago and we have since been climbing upward slowly but surely.

"Because existing industries have recouped some of their losses and are steadily getting back to a normal operating and profit-making basis.

"Because changing European conditions are gradually restoring us to our British and foreign markets.

"Because there are again prospects of more rapid growth in population and a consequent enlarged home market.

"Because Canada's natural resources and other wonderful advantages assure its ultimate future, despite temporary periods of depression from which all countries suffer.

"Because of the growing tendency in

all British countries to buy British manufactured goods wherever possible."

When it Becomes Profitable

Mr. Kirkpatrick was also asked what in his opinion was the exact point at which it becomes profitable for an American manufacturer selling in Canada to manufacture in Canada; He replied;

"When he can manufacture and deliver his goods to the trade or consumer with less delay and at less cost without reducing his own profit.

"When Canadian and British patriotic sentiment reaches the point where the consumer, in making purchases, actually demands or gives preference to Canadian or British made goods, quality and price being equal."

This is of course very general. It does not answer the question specifically for any individual American manufacturer. No one answer could serve all. The American manufacturer considering the establishment of a branch plant in Canada, must weigh in the balance all the factors that touch his particular problem and find the answer for himself.

Opportunities Now Better

After studying the problem from many angles, I am convinced that Canada has reached the point where it will continue to offer an increasing advantage to American firms in the establishment of branch plants and in Canada and that we may shortly see a resumption on a large scale of former activity in this regard.

Governmental stability, increasing prosperity, a promise of lower taxation, growth in Imperial economic solidarity and the growing purchasing power of the Canadian people will bring the factories to Canada.

Floating Charge is Now Mortgage, Ontario Holds

By FRASER RANEY, Barrister-at-Law.

When is a floating charge a mortgage? Last September we thought it was settled for good that a floating charge was not a mortgage—at least, not one requiring registration under the Ontario Chattel Mortgages Act. The Appellate Division of the Supreme Court of Ontario had so decided in the important case of Gordon Mackay & Co. v J. A. Larocque, Ltd. The judgement of the majority of the Court was based on numerous English decisions and followed a number of earlier cases in our own courts. It held that a clause creating a floating charge in a trust deed to secure bonds should be given the same effect as a similar clause printed on the face of a debenture itself, and that neither the one or the other was a mortgage requiring registration under the act. The effect of this decision was to reaffirm the law as generally understood at that time that a company whose goods and effects were covered by a chattel mortgage could continue to deal with all its goods in the ordinary course of business, and therefore, that such a floating charge did not operate as a mortgage so as to postpone the rights of creditors until default had occurred, but in that event that it took effect at once as a mortgage with priority over all unsecured creditors.

Now Considered Mortgage

All this has now been completely upset. First, as to all existing deeds or instruments containing such a floating charge. The Supreme Court of Canada (by a majority judgment) has reversed the Appellate Division of Ontario and holds (and it is now the law) that every floating charge is really a mortgage albeit an equitable mortgage—and as such that it is within the mischief intended to be prevented by the Ontario Chattel Mortgages Act and must be registered. In other words the Chattel Mortgages Act is intended to prevent a company as well as an individual from giving a mortgage (construing that word in its widest possible sense), of which its creditors will have no knowledge, until the debtor is in financial difficulties when they find that there is a blanket mortgage covering all the debtors assets, in priority to their claims. True, a company has been required for some years to file a copy of every trust deed to secure debentures with the Secretary of State, or Provincial Secretary as the case may be but it is now decided that this does not dispense with compliance with the registration of such an instrument as a chattel mortgage.

Ontario Has Passed Law

Secondly, as to floating charges to be created in the future. The comment of Chief Justice Anglin of the Supreme Court of Canada in his dissenting judgment is interesting. He states that in view of the doubtful language of the statute, it is, in his opinion, the duty of the Court to wait until the Ontario legislature passes a more explicit act. And while the judgment of the Court was actually under consideration, the Ontario Legislature (at its last session) amended the Bills of Sale and Chattel Mortgages Act, by defining the word "Mortgage" to include any instrument or deed by which a floating charge is created, that is, whether contained in a debenture or in a trust deed and then provided that a duplicate of every mortgage given by a company after July 2nd, next, shall be registered with the provincial secretary, as well as a certified copy of the Company's by-law or resolution authorizing the mortgage, and a certificate as to the amount of the Company's outstanding debentures.

And so the law would appear to be settled once more.

There is only one element of uncertainty— as to existing floating charges. There may yet be an appeal to the Privy Council from the Supreme Court of Canada. The number of Judges pro and con is practically equal, and the issue to be decided is very important. Debentures are said to be secured by such floating charges running into millions of dollars.

Board of Trade Officers See Busy Quebec Areas

From Our Own Correspondent.

MONTREAL.—Officers of Montreal, Quebec and Toronto Boards of Trade have completed a tour of the Lake St. John and St. Maurice Valley industrial areas in the province of Quebec. The party, after seeing the developments which have taken place in and around Shawinigan Falls, traveled to the Upper Saguenay, where they spent some days seeing the developments between Port Alfred and Lake St. John. Those in the party included: Brig. Gen. Mitchell, president Toronto Board of Trade; G. A. Walsh, general manager Canadian Manufacturers' Association, Toronto; W. S. Fallis, president-elect, C. M. A., Montreal; G. Lafoley, president Montreal Board of Trade; J. A. Paulhus, president Montreal Chamber of Commerce; Stanley Cook, secretary, Montreal Board of Trade; M. Boyer, president Quebec Chamber of Commerce, M. Clarke, secretary Canadian Chamber of Commerce, Montreal; W. M. Philips, manager Industrial Department, Canadian National Railways, Montreal; D. O. Wood, general freight and traffic manager, C.N.R.; J. E. Morrazin, general superintendent C.N.R., Quebec; F. G. Tiffin, Industrial Commissioner, C.N.R., Montreal; S. J. Raymond, Industrial Commissioner, C.N.R., Toronto.

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DEVELOPMENT BRANCH—If you are interested in the mining wealth and industry of Canada or in the development or supply of industrial raw materials available from resources along the Canadian Pacific Railway, you are invited to consult this Branch. An expert staff is maintained to investigate information relative to these resources and examine deposits in the field. Practical information is available as to special opportunities for development, use of by-products and markets, industrial crops, prospecting and mining.

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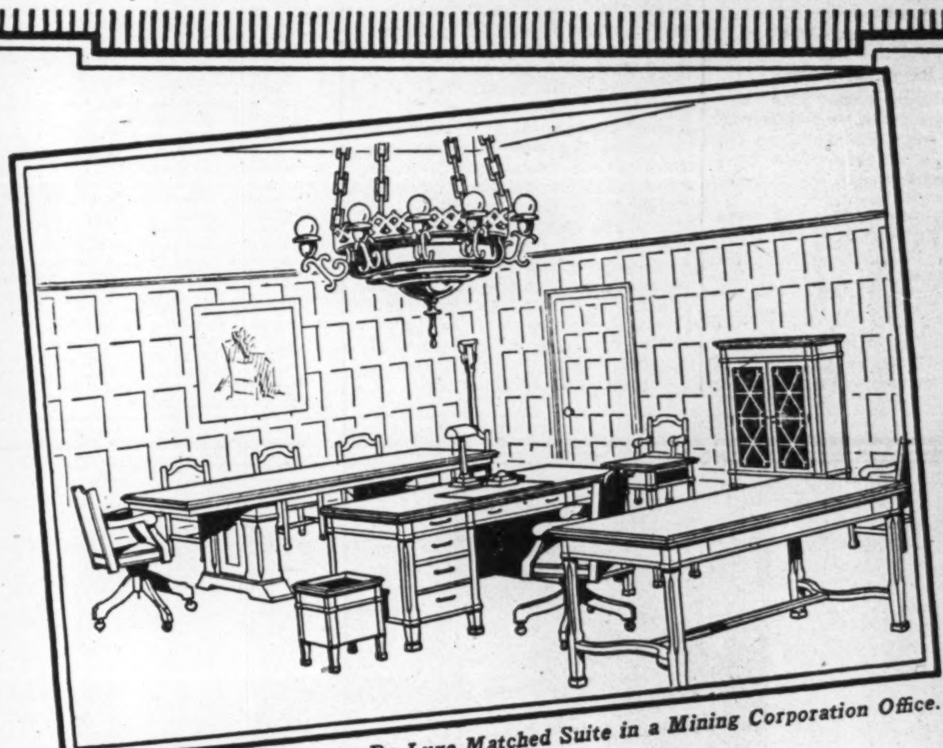

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MAKERS PETITION LOWER CIGARETTE STAMP CHARGES

Claim That $6 Duty is Resulting in Heavy Revenue Loss

Reduction in the stamp duty on cigarettes manufactured in Canada to a rate not greater than the duty charged upon the same goods in the United States, is embodied in a petition presented to the Advisory Board on Tariff and Taxation by the Imperial Tobacco Co.

It is pointed out by the applicant that the increase of Canadian stamp duty has been detrimental, not only to the industry itself by hampering its output and further development, but also to the Canadian government by decreasing its revenue. When the duty on Canadian cigarettes was increased in 1918 from $3 to $6, it took a little time before the full effect became apparent on consumption. In the next five years, consumption, which is considered a fair index of the growth of the industry, stood almost stationary.

Stamp duty was further increased in 1923 to $7.50 for ten months. Reaction was striking and immediate; consumption decreased 21.76 per cent. Again a return to the lower rate automatically brought an increase. Since then, when the duty remained at the same rate, consumption shows a normal increase of 4.62 per cent. in 1925 while in 1926 and 1927 there was an increase not altogether normal which was the direct result of the introduction of cheaper goods with little or no profit.

Annual Revenue Varies

The table subjoined shows the consumption of cigarettes, together with stamp duty in force and revenue (including 40 cents customs duty upon leaf tobacco) between the fiscal years 1921 and 1927:

	Quantities	Rate	Revenue
1921	2,439,832,678	$6.00	$17,566,795
1922	2,450,397,154	6.00	17,642,859
1923	1,917,183,208	7.50	16,199,729
1924	2,419,884,071	6.00	17,600,770
1925	2,531,693,150	6.00	18,228,190
1926	2,883,448,160	6.00	20,760,826
1927	3,279,186,050	6.00	23,610,139

It is worthwhile noting that the increase in duty from $6 to the $7.50 rate did not increase, but actually decreased the government revenue, the loss being nearly one million and a half dollars to the government. The reason for this is obvious. The decrease in quantities was over 532 million cigarettes.

Now Roll Their Own

One of the developments arising out of the high duty on cigarettes is that certain brands of tobacco used exclusively by consumers to roll their own cigarettes, have been introduced upon the market with the last four years, the sales amounting at present to more than three million pounds. Of three pounds of this tobacco, which is required to make 1,000 cigarettes, the government gets in total revenue $1.80, whereas on 1,000 cigarettes the government would get a revenue of $7.20 exclusive of sales tax.

Smuggling on the Increase

The industry has been greatly hampered, however, not by the increase in consumption of cigarette tobacco, but by the enormous amount of smuggling from the United States. Difference in the stamp tax on cigarettes between the two countries, makes it an inducement for tourists from the States or visitors to that country to buy American cigarettes which can be had for 15 cents a package, the cost of similar brands in Canada amounting to 25 cents. Moreover, it is almost impossible to stop this form of smuggling as it is being carried on by private individuals and not by wholesalers or small jobbers.

The cigarette manufacturers of Canada have made an investigation of this matter and they are prepared to submit to the Advisory Board data to prove that at least 600 million cigarettes are smuggled into this country from across the line each year, on which the government takes a direct loss of some $2,500,000 in revenue.

In summing up their application to the board, the Imperial Tobacco Co. says that if the stamp duty was lowered to the same level as that in the United States, much of the incentive to smuggling would be removed and there would be a corresponding increase in domestic consumption. Furthermore there would be a reduction in the numbers of consumers who are now rolling their own cigarettes. In the event of a reduction of the stamp duty, it is the claim of the applicant that the domestic manufacturers would be able to largely increase their output of cigarettes and in turn result in a larger revenue for the Dominion government.

MONTREAL POWER EXPANDING COKE GAS OPERATIONS

With Koppers Co. Forms Important Subsidiary — Bond Issue

Extension of the activities of the Montreal Light, Heat and Power Cons., is seen in the issue this week of $4,000,000 5½ per cent. first mortgage bonds, series A, of the Montreal Coke and Manufacturing Co., by Wood, Gundy and Co. The new company will also be controlled in part by the Koppers Co. (of Delaware), one of the largest builders of by-product coke and gas plants in the United States.

Montreal Coke will take over the gas and coke operations of Montreal Power, having acquired a long term lease on the gas manufacturing plant of the latter company. In addition, the company is constructing in the vicinity of the Montreal power plant a modern coke and gas plant, including a battery of 59 Koppers combination coke-ovens and a by-product plant for the recovery of tar and ammonium sulphate. This plant will have an annual capacity of approximately 350,000 tons of high-grade coke, 6,500 million cubic feet of gas, 3,500,000 gallons of tar and 10,000,000 pounds of ammonium sulphate. It is expected that the plant will be ready for operation not later than July 1st, 1928.

Under an agreement, Montreal Power will take from the new company during five years after commencement of operation its entire requirement of gas. Thereafter, the contract provides for the purchase by Montreal Power of a minimum amount of gas, which is said to be sufficient to ensure economical operation of the plant. The coke output will be disposed of in part to industrial consumers and will also be sold direct to householders. Markets for by-products are also well established.

Particulars of the issue are:

$4,000,000
Montreal Coke and Manufacturing Co.
20-Year Sinking Fund 5½ per cent. First Mortgage Bonds, Series A

Dated June 1, 1927. Due June 1, 1947.

Business—Manufacturers of coke, gas, tar and ammonium sulphate.

Property—Has acquired lease of gas plant of Montreal Light, Heat and Power Cons.; a site of over 70 acres at Ville la Salle, Montreal.

Plant—Annual production of 350,000 tons of coke; 6,500,000,000 cubic feet of gas; 3,500,000,000 gallons of tar and 10,000,000 pounds of ammonium sulphate. Will be in operation not later than July 1, 1928.

Ownership—All common shares are owned by Montreal Light, Heat and Power Cons., and through a wholly-owned subsidiary by the Koppers Co. (of Delaware).

Markets—Favorable agreements have been entered into for the sale of products.

Purpose of Issue—Cash proceeds of this issue and $2,000,000 preferred shares to be subscribed by two controlling companies will be employed for construction of plant, working capital and other corporate purposes.

Capitalization — On Completion of present financing:

	Authorized	Outstanding
1st mtge bonds	$10,000,000	*$4,000,000
6% cum. pref. shs.	5,000,000	2,000,000
Com. shs. (no par val.)	100,000 shs.	100,000 shs.

* Of series A.

Security—First mortgage on all real and immovable properties; floating charge on all company's interests. Properties, on completion of present program, are estimated at not less than $5,500,000.

Earnings—On completion of proposed plant, $665,000 available for bond interest after payment for prior charges, or over three times annual interest charges on this issue.

Sinking Fund—Sufficient to redeem at or before maturity all bonds of series A.

Special Covenants—Company will have net current assets upon completion of plant, of not less than $800,000 and will not redeem any of its capital stock, nor pay dividends on common shares so long as its net current assets are less than 20 per cent. of the principal amount of bonds outstanding, or if such assets by redemption of stock or payment of dividends be reduced to an amount of less than 20 per cent. of outstanding bonds.

Offered—Wood, Gundy and Co., at a price of 100 and interest.

Stock Market

MARKET INDICATOR

20 Industrial Stocks	High	Low
Week of May 18	98.5	95.9
Week of May 11	98.7	94.9
Month of May, 1926	75.2	69.7
9 Bank Stocks		
Week of May 18	$242	$239
Week of May 11	242	239
Month of May, 1926	224	222
10 Public Utilities		
Week of May 18	112	110
Week of May 11	114	110
Month of May, 1926	94	90

WEEK'S GAINS AND LOSSES

	Gains	Losses	Unch.	Total
Banks	5	3	1	9
Paper	1	9	6	16
Steel	9	14	17	40
Foodstuffs	7	17	22	46
Utilities	13	7	9	29
Tractions	2	5	7	14
Industrials	17	12	28	57
Textiles	5	6	7	18
Total	59	73	97	229

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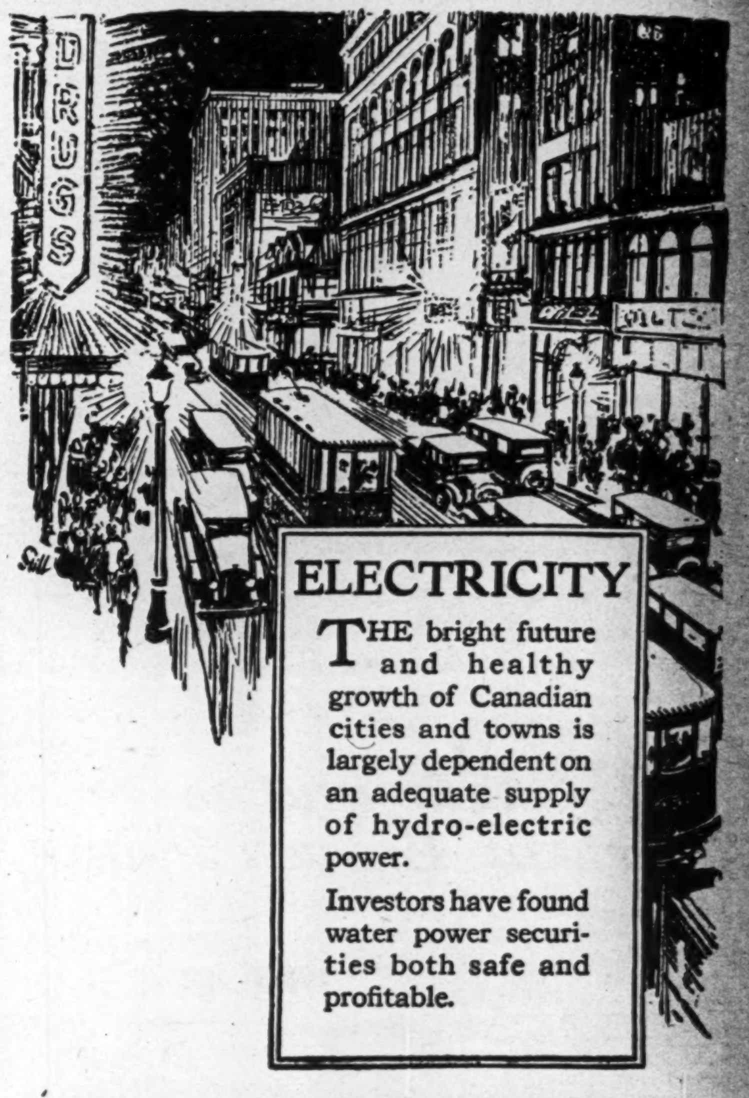

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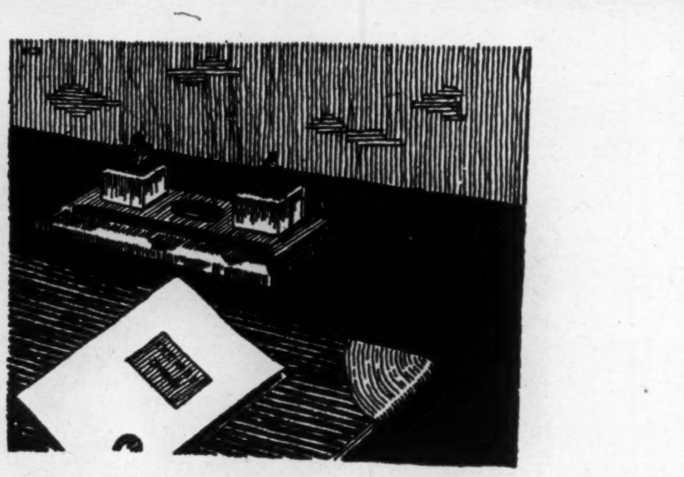

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LIBERTY NATIONAL BANK IN NEW YORK, TRUSTEE
Dividends payable January 31st and July 31st. Certificates issued in denominations of 10, 25, 50, 100, and 500 shares, registered both as to principal and dividends.
NO FUNDED DEBT

Organization: The New England Investment Trust, Inc., was incorporated under the laws of Massachusetts in 1925. It purchases and deposits with the Liberty National Bank in New York from time to time certain approved stocks which the bank as Trustee holds as security for Collateral Trustee Shares under a Declaration of Trust.

Security: The security back of Collateral Trustee Shares consists of stocks of eighty companies, all listed on the New York or Boston Stock Exchange. No substitution may be made in these stocks, except under the strict provisions of the Declaration of Trust, and all proposed substitutions must be submitted to the Liberty National Bank in New York, Trustee, for approval.

Income: Income on the Collateral Trustee Shares of The New England Investment Trust, Inc., is derived from regular and extra dividends received on the stocks held in trust and from the sale of fractional stock dividends and 'rights', as provided in the Declaration of Trust.

Dividends: Twice each year, in January and July, all income on Collateral Trustee Shares for the preceding six months is distributed by the Liberty National Bank in New York, Trustee, direct to holders of the Collateral Trust Certificates. No deductions are made from this income for any purpose. The following amounts have been distributed as dividends:

January, 1926—31 cents per share
July, 1926—41 cents per share
January, 1927, 53½ cents per share

Management: The affairs of The New England Investment Trust, Inc., are under the management of a Board of Directors composed of the following bankers and attorneys, co-operating with the Liberty National Bank in New York as Trustee:

C. K. WELLS, President
Formerly Assistant Vice-President
Liberty National Bank, New York
JAS. M. SWIFT, Vice-Pres. and Counsel
Vice-President, Citizens Savings Bank
Formerly Attorney General Commonwealth of Massachusetts, Boston, Mass.
JAMES A. SIMPSON, Treasurer
Trustee; Director, Malden Trust Co., Methuen, Mass.
B. D. LEWIS, Director
Vice-President, Liberty National Bank, New York
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Coal and Canada

(Continued from page 1)

best coal is a dirty messy thing, and we are not interested further." Such a definition is not out of the way. It represents too, the attitude to-day of many purchasers of coal for the smaller industries and for domestic service. The short-sightedness of such a definition is more clearly seen when certain fundamental characteristics of coal are re-called. Coal wherever produced reaches the consumer in widely differing qualities; and unfortunately no standard nomenclature exists by which these varying qualities can be identified quickly by the non-technical purchaser. The so-called heating content may vary from 8,000 to 15,000 units per pound.

Many Varying Factors.

The burning characteristics, the ash content, and the character of the ash are also factors with wide variation. The combined effect of all these varying factors upon steam raising is what really matters. Where steam raising is concerned, the problem is not the simple one of how much does a ton of coal cost, but how much does a thousand pounds of steam cost. The answer of this question is not simple, but it is ascertainable, and purchasing can be done for any given industry on the cost of steam. And so the modern view of coal is that it is the basic factor in our industrial civilization, and is itself a highly complicated substance meriting the most careful study in order to effect savings in real money during its use.

Coal Utilization

Coal for industrial and power service may be utilized in a number of different ways, and its wisest utilization can only be determined by a consideration of the economic factors surrounding the specific installation under review.

1. Coal may be burned in its raw state for the raising of steam. The newer technology is emphasizing the consumption of coal in pulverized form.

2. Coal may be coked in a variety of different methods, and the resulting products used independently:

(a) **Gas House Coking:** To produce gas for city service; gas house coke as a by-product. This is one kind of high temperature coking.

(b) **By-Product Coking:** To produce "By-product coke," with gas, tars, ammonia, etc., as by-products. This is another kind of high temperature coking. This coke is useful both for metallurgical service and for domestic heating.

(c) **To Produce Semi-coke** by a low temperature process, with gas, low temperature tars, and ammonia as by-products.

3. Coal may be completely gasified in a so-called producer. This is usually done for the purpose of preparing producer gas for power plant consumption.

4. Coal may be "liquified" by one of the newer methods; e.g., that of Dr. Bergius in Germany. By this process, motor spirit, diesel oils, fuel and lubricating oils, and gas are produced.

Some of the above-mentioned utilizations of coal are taking place in Canada at present. Some have not yet been attempted; but the possible application of the newer methods to Canadian conditions must be considered if a sound and economic solution of the power portion of our fuel problem is to be obtained.

Room for Betterments

In the power field there is room for much activity. Furnace and boiler efficiencies are not high on the average. Present knowledge can be applied to raising this efficiency to the conversion of old plants to new, to the more economic purchasing of coal and to many other features connected with the utilization of coal in industry. For example, at a time when the glamour of water power is occupying the public mind, it is interesting to note that, in general, in many parts of Ontario, it is cheaper to utilize hydro-electric energy. It is conceded by all observers that coal for industrial use in most parts of Ontario must come from the United States under present economic conditions, and the absence of controversy on this point tends to create an atmosphere congenial to a wise solution of the problem of the proper utilization of coal in the industrial field.

House Heating Problems

The domestic portion of our fuel problem is not without interest. The acute fuel area of Canada (roughly Ontario and the western end of Quebec) has a normal consumption of 4,000,000 tons of coal for house heating. This demand has been supplied in the past mainly by American anthracite, of the future supply of which there is great uncertainty. It has been the aim of Canadian leaders to develop substitutes for this anthracite supply. The most important substitutes that have been suggested are: British anthracite, by-product coke, briquettes, and Alberta coal.

Alberta Coals Limited

The last few years have probably convinced even the most skeptical that it is not feasible on purely economic grounds to supply the acute fuel area of Canada with coal for domestic heating from Alberta. No continued commercial sized shipments of Alberta coal have moved into Ontario for domestic use under natural economic demand. There has been some movement of Alberta coal under the auspices of the government with special rate concessions and marketing arrangements, but no natural commercial traffic has yet been created. The reason for this is that the close proximity of the American anthracite fields prevents at present, such a movement, except with the aid of special concessions, such as tariffs, bonuses, or freight rates that are below cost.

The growth of the imports of British anthracites into the western Quebec market is most impressive, and consumers are witnessing the beginning of the break of Central Canada's dependence on a single foreign commodity for domestic heating.

Coke Plant Subsidy

With the desire of stimulating still further any efforts to relieve Canadian householders of a dependence on a single foreign commodity—anthracite—the government introduced and passed this year a bill to subsidize coking plants on a basis of 4 per cent. of the cost of the plant paid annually over a period of fifteen years to any private company which will start a plant producing by-product coke. This subsidy is increased to 5 per cent. per annum in the event of the plant being municipally owned. This subsidy is also modified by a sliding scale if less than 70 per cent. of Canadian (Nova Scotia) coals are used, and disappears entirely when only 50 per cent. of Canadian coal is used in producing the coke.

The ostensible purpose of this bill is two-fold:

1. To introduce to the Canadian market more by-product coke as a substitute for American anthracite for domestic heating.

2. To increase the consumption in Canada of Canadian bituminous coal thereby helping to increase the prosperity of the Maritime Province.

Montreal Power's Plant

Montreal Light, Heat & Power Consolidated and the Koppers interests have concluded an agreement for the erection of a coke plant in Montreal. It is stated that the new coke company is not attempting to profit by the government subsidy. The interpretation of this is that they propose to use less than 50 per cent. of Canadian coal, which confirms the rumor that the policy of the company will be to use American coals almost entirely in the production of the coke. It has been argued that such a course does not really aid Canada in the solution of her fuel problem in that it simply transfers our dependence from American anthracite to American bituminous coal. This is not an unnatural interpretation of the situation, but it is not a complete criticism. Anthracite is a commodity of which the visible supply is shrinking and it is not improbable that within a generation the export of American anthracite to Canada will cease, due to the practical exhaustion of the Wyoming valley field. With, however, American bituminous coal the situation is entirely different. The quantity of bituminous coal in the United States is so large that it is not conceivable that any failure of supply could take place or any embargo be placed by the American government upon its exportation.

Coal Must be Cheap

With so many disadvantageous economic features for life in Canada, it is essential that basic things, such as heat, should be made as cheap as possible to the Canadian consumer. The present government, at least, subscribes to this policy by its admission practically free of duty of all American bituminous coal which comes into the country for coking purposes. In other words, the present government has taken the attitude toward coal for coking, that it has taken toward primary sources of production; they must be as cheap as possible. Now it may be asked, if this policy of American bituminous coal be accepted, will the time ever come when the Montreal coke plant might use Nova Scotia coal, with the added plum of a bonus? The answer to such a question is two fold—technical and economic.

Technical and Economic

Technical: — Certain Nova Scotia coals are splendid coking coals but their relatively high sulphur content affects adversely the gas produced. In order that this gas may be suitable for distribution to householders, it must be washed for its sulphur impurities. The cost of the washing and the cost of the disposal of the waste products incident to washing, are of course charges in excess of those incurred when coking coals have a very low sulphur content. The extra cost must be absorbed or compensated for in some manner.

Economic:—The economic aspects of the situation are bound up with the basic mining conditions in Nova Scotia. The mining costs in Nova Scotia are high relative to American fields, and output is not where it might be. With a drop in mining costs and with larger output, it is highly probable that the delivered cost of Nova Scotia coal will reach levels where it can compete successfully with American coals at Montreal. There are therefore distinct grounds for hope that Nova Scotia coal may ultimately be used in considerable quantities for by-product coking in Montreal.

The announcement of the proposed establishment of such a plant is of real importance to the solution of the fuel problem of Canada. It marks another step on the road away from the present wasteful methods of burning raw coal instead of coking with by-product recovery. But no glittering generalities paint a fair picture of the problem. In the present organization of life, it is only reasonable to expect by-products to be produced when, at a purely economic analysis, such a course of action can be justified. In other words, by-products can only be manufactured when they can be sold profitably. Business is not a philanthropy. But each distinct mile post in the journey is of interest to Canadians who are faced with a national fuel problem of such an unique character.

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Edited by James H. Picken, M.A.

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Stock Market Record

WEEK ENDING MAY 17

	Div. Rate	Yield May 16	High for wk.	Low for wk.	Close May 17	Close May 10	Sales for wk.	Range, 1927 High	Range, 1927 Low
Banks—									
Commerce	12+1	5.39	245	240	243½	244	139	248	228
Dominion	12+1	5.72	227½	227	227½	227	43	230	217
Can. Nationale	10	6.06	165½	163	163	165¼	33	165½	160½
Imperial	12+1	5.90	220	218	219	217½	135	222	214
Montreal	12+2	4.69	298½	295	298	296	286	298½	272
Nova Scotia	16	4.97	322¼	319	320	320	82	322½	298
Royal	12+2	5.12	273½	267	272	264	286	273½	257
Standard	12	5.94	203	201	203	200	142	207	196
Toronto	12	5.28	231	227	227	231½	34	238½	227
Paper—									
Abitibi, com. (no par)	5	5.55	91	89	89	91	685	94	82
Do. pref.	7	5.98	117	117	117	118	20	119	113
Belgo-Can. pref.	7	6.86	103	102	102	102	63	105	101
Brompton (no par)	$2	6.25	32	32	32	32¼	3080	35	31
Fraser, pref.	7	7.21	97	97	97	97½	42	98	96¾
Inter. Paper, com.	$2	4.84	52⅝	40¼	40¼	50½	21400	60⅞	40¼
Laurentide	6	6.33	97	93	93½	97	9200	110¾	93
Price Bros., com.	2	3.63	57	55	55	57½	421	63	55
Do. pref.	6½	6.43	102	101	101	102	316	104	100
Prov. Paper, com.	6+1	5.88	..	...	...	...	...	130	115
Do. pref.	7	6.04	..	...	...	...	...	107	105¼
Smith, Howard, com.	.	...	62	61	62	62	250	68¾	60
Do. pref.	8	7.28	..	...	...	...	...	110½	103½
Span. River, com.	7	7.10	100	98½	100	100	592	102¾	98
Do. pref.	7	6.19	114	112	114	113	83	116½	110¼
Wayagamack	$3	5.60	54	53½	53½	54	665	59	46½
Steel and Steel Industries—									
B.E. Steel, com.	.	...	..	...	...	...	...	1¾	1¼
Do. 1st pref.	.	...	20¼	20	20¼	20	145	22¼	10
Do. 2nd pref.	.	...	2½	2½	2½	2½	35	4	1
Can. Car & Found., com.	.	...	..	...	...	...	...	50¼	38½
Do. pref.	7	7.77	90½	88½	90½	89	452	94½	88
Can. Fairbanks, pref.	6	6.74	..	...	...	...	...	89	80
Can. Forgings, com.	.	...	26	25½	25½	27	120	27	18
Do. pref.	.	...	87	85	85	87	35	87½	66
C.G.E., com. (par $50)	.	...	50	50	50	51½	16	51½	50
Do. pref. (par $50)	7	5.88	59½	59	59	58	196	60	56
Can. Locomotive, com.	.	...	...	...	...	...	...	48	40
Do. pref.	7	8.23	86½	84	84	85	11	89	84
Canada Iron, com.	.	...	..	...	...	...	...	15	12
Do. pref.	4	7.27	..	...	...	...	...	60	42
Dominion Bridge	4+2	3.20	193	186	186	190	8326	193	116¾
Dominion Coal	.	...	83½	83½	83½	83	45	85	69
Dominion Iron, pref.	.	...	..	...	...	...	...	5	2¾
Dom. Radiator, pref.	7	7.00	..	...	...	...	...	101¾	101
Dom. Steel Corp., pref.	.	...	29¼	29	29¼	29¼	242	29¼	20
Ford Motor	10		..	...	...	...	...	436	436
Gould Pumps, pref.	7	7.00	..	...	...	...	...	100	100
Kelvinator, com. (no par)	.	...	13	12	12⅞	13	715	15	9⅞
Do. pref.	7	8.02	89	87¼	87¼	89	15	95	87¼
Massey-Harris, com.	.	...	37½	36¼	36¼	36½	9566	38½	29
Do. pref.	7	6.45	108¾	108¼	108½	108¼	1098	109¾	103½
McKin. Ind., c. (no par)	.	...	25½	24¼	24¼	24	157	25½	15
Do. pref.	7	7.23	96¾	96¼	96½	96	132	96¾	93¼
Do. Voting Trust	.	...	25¾	24¼	24½	25½	1245	26	15
Ontario Steel, com.	4	5.40	74	74	74	75	50	78	73
Do. pref.	7	6.91	101¼	101¼	101¼	103	22	103½	100
Page Hersey, c. (no par)	$3	4.33	69	67½	69½	69½	1256	70¼	53½
Do. pref.	7	5.10	139	137	139	139¼	335	140½	116
Pressed Metals, com.	.	...	42½	42	42½	43	170	46¾	34¼
Do. pref.	7	8.04	87	87	87	87	5	87	85
Russell Motor, com.	3	5.60	..	...	...	...	...	53½	52
Do. pref.	7	7.44	94	94	94	93	5	97⅛	90¼
Sawyer-Massey, com.	.	...	..	...	...	...	...	1	1
Do. pref.	.	...	..	...	...	...	...	22	5
Steel of Canada, com.	7	5.35	132	129⅞	129⅞	130⅛	842	136	117
Do. pref.	7	5.12	137	136	137	136	46	137	127
Milling and Foodstuffs—									
Alta. Pac. Grain, com.	.	...	22	19½	21¼	22	220	27¼	19½
Do. pref.	7	7.91	89	88½	89	88¾	44	92	87½
Arnolds, com. (no par)	.	...	20	17	18½	17	850	26	16¾
Do. pref.	7	7.77	90	85	90	95	75	95	84
Atlantic Sugar, com.	.	...	29¾	28¾	28¾	30	380	32	24½
Do. pref.	.	...	99½	99	99	99¾	115	100	90
B.C. Fishing	5	6.45	78	77½	77½	78½	295	94½	72½
Do. new	$1.25	7.00	18½	17	17	18½	347	22	18
Do. pref.	7	8.23	85	84½	85	86	316	90	86
Can. Bak., com. (no par)	.	...	34	34	34	34	25	38½	27
Do. pref.	7	7.03	99½	99	99	99	25	102	98
Can. Bread, c. (no par)	$5	4.54	105	105	105	110	15	116	90
Do. pref. (A)	7	6.03	..	...	...	...	...	116	108½
Do. pref. (B)	7	6.42	109	109	109	109	70	112¼	103
Can. Canners, com.	.	...	58¼	55¾	55¾	58½	141	63½	21
Do. pref.	4	4.30	94½	92	92¼	92¼	685	97	76
Canadian Salt	8	5.92	..	...	...	...	...	136	123
Christie Brown (no par)	$1.20	2.40	59½	50¼	59½	50	2185	59½	38
City Dairy, c. (par $25)	$3+1	3.58	112½	111	111	111	325	115½	79
Do. pref.	7	5.93	118	118	118	118	11	119	112
Cuban Can. Sugar, com.	.	...	..	...	...	...	...	5	2¾
Do. pref.	.	...	..	...	...	...	...	37	29
Wm. Davies (A) (no par)	.	...	43⅞	36	42½	36	5005	43⅞	25
Do. (B) (no par)	.	...	19	16	19	16	544	19	9
Dominion Stores (no par)	$2.40	2.90	80¾	80	80	82	626	85½	65
Hamilton Dairies, com.	.	...	31	30½	30½	31	91	33	24
Do. pref.	7	7.21	..	...	...	...	...	98½	96
Inter. Milling, pref.	7	6.60	106	105½	106	106	16	107	104
Lake of Woods, com.	12	8.98	134	133	133½	133½	574	160	133
Do. pref.	7	6.06	116	115½	115½	117	22	117	115
Loblaw, com.	$1.25	25	49½	49	49	50	92	51	48
Do. pref.	7	6.40	109¼	109¼	109¼	108½	12	110	107
Maple Leaf Mill, com.	.	...	61	61	61	61	100	73¼	61
Do. pref.	7	7.17	97½	97	97	97½	27	101¼	94
Ogilvie Flour, com.	5	1.81	275	270	275	275	62	290	205
Do. pref.	7	5.66	123½	122	123¼	124	30	124	120¼
Pure Gold Mfg. (no par)	$1.50	7.50	20	20	20	20	55	21½	19¼
Shredded Wheat (no par)	$3	4.54	66	65½	65⅞	66½	475	70½	55
St. Law. Flour, com.	.	...	30	30	30	30	60	31½	28
Do. pref.	7	8.75	..	...	...	...	...	84	80
Viau Biscuits, com.	.	...	24	21½	25	22	514	26	18
Do. pref.	7	8.04	87	87	87	87	85	90	83½
West. Can. Fl. c. (no par)	1.40	5.00	28	27	28	28	150	29½	22
Do. pref.	6½	6.31	..	...	...	...	...	103¼	100
Western Groc., c. (no par)	$1	...	..	...	...	...	...	29	19
Do. pref.	7	8.91	78½	78½	78½	79½	3	84	74¼
Utilities—									
Bell Telephone	8	5.51	145	142¼	144½	143¼	4421	158½	137
Calgary Power	.	...	..	...	...	...	...	50	50
Consumers Gas	10	5.55	180	179	179	181	166	182	171½
East Koot. Power	.	...	27½	27¼	27½	27	15	29¼	26
Do. pref.	7	7.17	97½	97¼	97½	97	5	98½	96¼
Inter. Util. (A) (no par)	$3.50	...	34	33½	34	33½	125	35¼	28
Jamaica Pub. Ser., pref.	7	7.00	100	99½	100	100	38	100	97
Laurentide Power	5	4.54	110	110	110	110	35	120	107½
Mackay, com.	7	5.83	120	119½	119½	119	63	127½	119
Do. pref.	4	5.75	70	69	69	69½	314	74	69
Mexican Light, com.	.	...	44	43	44	41½	16	44	27
Do. pref.	.	...	118	110	110	116	115	120	77¼
Mont L H & Pr (no par)	$2	2.34	85½	84¼	85½	85	5810	85¾	68¼
Montreal Teleg. (par $40)	8	5.23	51	50	51	50	30	51	49
Nor. Mexico Pr., com.	1	...	61	57¼	60	58	536	61	42
Do. pref.	7	7.95	88	87	87	88	20	88	82½
Ottawa & Hull Pr., com.	.	...	..	...	...	...	...	28	26
Do. pref.	7	7.21	97	97	97	97	10	99½	96
Ottawa L. H. & Pr., com.	6	5.71	105	105	105	101½	75	105	98½
Do. pref.	6½	6.13	106	106	106	107	3	107½	102
Quebec Power, com.	6	2.04	295	285	291	292	2231	311	190
Do. Rights	.	...	..	...	...	...	...	54½	31
Shawinigan	$2	2.24	90	84	88¾	85	23404	90	67
South. Can. Pr., com.	$2	2.29	87	87	87	87½	2	91	85
Do. pref.	6	5.94	101	100¼	101	101	29	102	100
Transportation—									
Can. Pacific Rly.	10	5.52	181	181	181	181	17	190	166
Can. Steamships, com.	.	...	39	37½	39	39	457	42	35
Do. pref.	6	6.45	94¼	90	94	90	5950	93	82½
Do. voting	.	...	35¼	35¼	35¼	35	300	37½	32½
Tractions—									
Barcelona (par $50)	1	...	51	51	51	51	18	51	33½
Brazilian, com.	6	4.28	141¼	135⅝	138¼	137	42241	141⅝	102½
Do. pref.	6	4.94	122½	120⅝	122½	121½	639	122½	105
Detroit Un. Rly.	.	...	..	...	...	...	...	5	2
Duluth-Superior	.	...	28	28	28	28¼	45	30⅞	25
Mexican Trams.	.	...	..	...	...	...	...	21	19¼
Montreal Trams.	10	5.40	187	185	185	189	9	200	169
Ottawa Traction	4	5.83	68½	68½	68½	69	60	70	64
Porto Rico Rlys., com.	2	2.80	..	...	...	...	...	70¾	59
Do. pref.	7	7.36	95	95	95	96	12	96⅛	90
Twin City, com.	4	7.40	54¾	53	53¼	54	658	66	53
Do. pref.	7	6.96	..	...	...	...	...	101	100
Winnipeg Elec., com.	1	...	66½	66¼	66½	66½	315	68¾	60¾
Do. pref.	7	6.86	103	102	102	102	26	105	100¾
Textiles—									
Can. Conn. Cotton, pref.	4	8.88	46	45	46	43	105	57	36
Can. Converters	7	6.93	102½	101	102½	102	100	107½	100
Can. Cotton, com.	8	6.40	..	...	...	...	...	132	120
Do. pref.	6	6.06	99	98	98	98	2	100	95
Can. Woollens, com.	.	...	8½	8¼	8½	8½	10	10	6
Do. pref.	.	...	60	59¾	59¾	60	70	63½	60
Cosmos Imp., com.	.	...	24	22¼	22½	24	1348	26¼	13
Do. pref.	7	7.27	96½	96	96	96½	52	98¼	91¼
Dom. Textile, com.	5	4.23	118	117	117	118½	1078	120⅝	105
Do. pref.	7	5.78	121	120	121	120	69	121	117
Monarch Knitting, com.	.	...	..	...	...	...	...	7½	7½
Do. pref.	.	...	51	51	51	50	10	54	49
Montreal Cottons, com.	6	5.31	113	113	113	117	1	117	110
Do. pref.	7	5.98	117	117	117	117	2	118	115

	Div. Rate	Yield May 16	High for wk.	Low for wk.	Close May 17	Close May 10	Sales for wk.	Range, 1927 High	Range, 1927 Low
Penmans, com. (new)	4	5.19	77½	76	76	78	137	79	75½
Do. pref.	6	5.88	102	102	102	102	35	105	101
Wabasso Cotton	6	6.59	91	91	91	88	10	116	84
Do. Rights	.	...	..	...	...	...	...	17	10
General Industrials—									
Amer. Sales, c. (par $20)	4	6.22	64¼	64	64	64	78	75	62
Do. pref.	7	6.89	101⅝	101½	101½	100	57	101⅝	97½
Do. Rights	.	...	..	...	...	...	...	6	3
Asbestos Corp., com.	.	...	21¼	20¼	20¼	21	1264	24¾	20
Do. pref.	7	8.14	86½	85	86	86½	934	88½	82¾
Brant. Cord. pf. (par $25)	8	8.51	24	23½	24	23	20	25	21
Building Products, pref.	7	7.29	96	95	95	95	13	97	93½
Burt, F. N., com.	$3	4.76	63	60¼	63	59½	690	65¼	56½
Do. pref.	7	...	..	...	...	...	...	210½	210½
Canada Cement, com.	6	3.98	152	147	150¼	146	10087	150½	124½
Do. pref.	7	5.88	119	118	119	118⅝	104	121½	116
C. Ind. Alc. (no par)	$1.28	4.41	30	28¼	29½	28½	11778	30¼	21¼
Canadian Oil, com.	5	3.37	..	...	...	...	...	150	99
Do. pref.	8	6.78	118	118	118	118	10	120¼	115½
Do. (new)	.	...	24⅞	24⅞	24⅞	24⅞	10	24⅞	24½
Crow's Nest Coal	6	9.44	63½	63½	63½	64½	2	66½	63
Dom. Glass, com.	7	5.73	123½	121	121	119	4665	123¾	104
Do. pref.	7	6.08	115	115	115	113½	20	115	111¼
Dom. Rubber, pref.	7	...	..	...	...	...	...	87½	80
East Theat., c. (par $25)	.	...	28	26	28	26	132	30	24
Do. pref.	7	7.36	95	95	95	95	10	95	92½
Famous Players, com.	.	...	28¾	28	28	28	183	80	20
Do. pref.	8	8.24	97	96½	96¾	97½	236	101	93¾
Gilman, com.	6	5.35	..	...	...	...	...	112	112
Do. pref.	7	6.08	115	115	115	114	30	125	110
Goodyear Tire, pref.	7	7.00	100½	100	100¼	100½	325	109	94½
Holt, Renfrew, com.	.	...	..	...	...	...	...	43	43
Do. pref.	7	7.77	..	...	...	...	...	92	85
Hunts, Ltd., com. (no par)	.	...	23	22½	23	23	45	23	20
Do. pref.	.	...	93	91	93	92¾	58	95	91
King Edward Hotel	$1	...	47	45	47	45	92	60	20
Laura Secord, com.	.	...	27	26	26	27	20	31	27
Do. pref.	7	6.79	104	103	103	103⅞	25	104	102
Lyall Construction	.	...	40	39¼	39¼	41	260	45¾	35¾
Loew's, com.	.	...	..	...	...	...	...	47	38
Do. pref.	7	6.83	..	...	...	...	...	105	96½
Nat. Brew., c. (par $25)	4	5.73	70	69	69¼	69⅞	2232	71¾	65
Do. pref.	7	6.51	107½	107½	107½	107	60	110	105
National Brick, com.	.	...	..	...	...	...	...	10	8
Do. pref.	7	10.76	65	65	65	66	5	81	65
Pacific Burt, com.	6	6.52	..	...	...	...	...	92	87
Do. pref.	7	6.52	107¼	107	107¼	107¼	23	108	102
Port Hope Sanitary, com.	3	2.30	..	...	...	...	...	130	125
Do. pref.	7	6.54	..	...	...	...	...	107	90
Rogers, Wm., com.	.	...	79½	78½	78½	79½	150	80	64
Do. pref.	7	7.07	100	98	100	99½	28	100	92
Seagram (no par)	.	....	28¼	25	27¾	25½	36847	28⅞	15
Sher-Williams, com.	6	3.94	152	148	152	150	115	155½	142
Do. pref.	7	5.88	119	118	119	119	35	120½	117
Standard Chem., pref.	.	...	..	...	...	...	...	15	15
Sterling Coal	4	...	..	...	...	...	...	36	30
Tooke Bros., com.	.	...	..	...	...	...	...	8	8
Do. pref.	7	8.64	..	...	...	...	...	89	80
Tuckett Tobacco, com.	4	5.33	75	75	75	75	55	75	69
Do. pref.	7	6.63	105½	105½	105½	105	120	106¼	103¾
Woods Mfg., com.	.	...	..	...	...	...	...	46	39
Do. pref.	7	8.75	80	80	80	81	7	89	80
Trust and Loan—									
Can. Landed (par $50)	10+1	5.52	100	99¼	99½	100	20	100½	94
Can. Permanent	12	5.45	221¼	220½	221¼	221	6	221	216¼
Colonial Invest.	6	...	6	6	6	6	4	7	6
Huron & Erie	7+½	5.03	149	148	148	142	40	149	139
Landed Banking	9	5.23	..	...	...	...	...	172	161
Montreal Loan (par $50)	12+1	6.50	..	...	...	...	...	52¾	50
National Trust	12	4.74	..	...	...	...	...	255	232
Ontario Loan (par $50)	12	5.12	..	...	...	...	...	117	111
Real Estate Loan	7	6.79	103	103	103	105	6	105	100
Toronto Gen. Trusts	12	5.00	240	240	240	240	6	240	220
Toronto Mtge. (par $50)	10+1	5.34	..	...	...	...	...	103	100
Union Trust	7	6.36	..	...	...	...	...	110	104
CURB AND UNLISTED MARKETS									
Anticosti, pref.	7	...	..	...	...	...	...	98¾	98
Attendu Engine (par $2)	.	...	20	16½	20	16½	1173	35½	14
B.C. Oilfields	.	...	..	...	...	...	...	2½	2
Beacon Oil	.	...	17¼	16½	17	16⅞	560	20¾	15¾
Belding, com.	6	8.21	71	71	71	73	50	88	70
Do. pref.	7	7.00	..	...	...	...	...	100	100
Brit. Amer. Oil	80c	3.07	26¼	25½	26¼	26	9963	28	20
Comm. Alcohol	.	...	65	65	65	60	35	65	49½
Brew. & Distil. (par $5)	.	...	..	...	...	...	...	5¼	4½
Can. Brewing	.	...	27	25	25¾	27	1180	30¼	23
Can. Nor. Pr., c. (no par)	.	...	..	...	...	...	...	52	42
Do. pref.	7	7.03	99½	99	99½	98	20	99½	98
Cockshutt, pref.	4	5.03	80½	79	79	80	160	82	70
Continental Oil	$1	...	18½	17¾	17¾	18½	180	22¼	17¾
Cosgrave Brew. (par $10)	5	7.69	6¾	6¼	6¼	6¾	470	8	6
Cooksville Shale Brick, c.	.	...	..	...	...	...	...	12¼	10¾
Do. pref.	4	7.40	..	...	...	...	...	54	50½
Can. Light & Pr.	.	...	47	40	40	50	123	55	20¼
Dom. Engineering	8	4.49	178	178	178	178	35	180	135
Dom. Power, pref.	7	6.96	..	...	...	...	...	101	100½
Dryden Power (no par)	.	...	13	12	12	13½	75	15½	11
East. Dairies, c. (no par)	.	...	26	25¼	26	25½	80	27½	20⅝
Do. pref.	7	...	..	...	...	...	...	96½	94
Eng. Elec., com. (no par)	.	...	..	...	...	...	...	16	15
Do. pref.	.	...	90	90	90	92½	10	95	72½
Good. & Worts (no par)	$1	1.67	59½	57	58⅝	57¼	9324	64	43½
Hayes Wheel, com.	.	...	29	29	29	29	65	29¾	27¾
Do. pref.	.	...	95¼	94	95	94	40	96	94
Hiram Walker	.	...	52½	48¼	52	48	47310	52¼	28½
Brading Brew.	.	...	30	25	29⅞	...	2405	30	25
Illinois Power, pref.	7	...	100	99½	100	99½	30	100½	98
Imperial Oil	$1.12½	2.54	44⅞	43⅞	44¼	44	5480	47	37¾
Imp. Tobacco, c. (no par)	6	...	7	7	7	7⅛	595	7¼	6¾
Inter. Petroleum	75c	2.50	30⅝	30	30	30	2388	35¼	30
Mitchell, J. S.	.	...	..	...	...	...	...	29¾	29¼
Manitoba Power (no par)	.	...	55½	54½	55	54	90	58½	50
McColl, com. (no par)	80c	2.10	38¼	37½	37⅞	37¾	715	40¼	22½
Do. pref.	7	6.08	115	114	115	114	215	116½	100
Mount Royal, com.	.	...	..	...	...	...	...	6	4
Do. pref.	6	...	..	...	...	...	...	55½	51½
North Star Oil, com.	.	...	2.20	2.20	2.20	2.55	100	2.55	1.15
Do. pref.	7	...	4.95	4.90	4.90	4.90	1500	5.01	4.90
N.S. Car, com.	.	...	21	21	21	23	25	25	18¼
Ott. Mtl. Pr. c. (no par)	.	...	..	...	...	...	...	25	18¾
Do. pref.	7	...	..	...	...	...	...	48¾	47
Ottawa Riv. Pr. (no par)	.	...	25	25	25	25	5	26	25
Paton Mfg., com. (no par)	.	...	..	...	...	...	...	60	52
Do. pref.	.	...	..	...	...	...	...	100	98
Power Corp., c. (no par)	.	...	38½	36½	38	36½	2335	38½	27¼
Do. pref.	6	6.31	95	95	95	95	135	97½	94
Port Alfred, pref.	7	7.33	..	...	...	...	...	97½	95
Que. South. Pr. (no par)	.	...	..	...	...	...	...	28½	25
St. Maur. Power	.	...	140	125½	135	130	625	150	96
St. Maur. Valley, com.	.	...	54	53¾	53¾	54	325	57½	47
Do. pref.	.	...	95	95	95	96½	5	98	95
Simpson, Robt., pref.	6	5.88	..	...	...	...	...	102	100½
Sovereign Secs. (par $5)	.	...	..	...	...	...	...	2.00	1.50
St. Law. Pap., c. (no par)	.	...	41	40	41	41	36	54	39¾
Do. pref.	8	7.61	105	105	105	106	15	108	104
Standard Clay	.	...	..	...	...	...	...	40	38
Tram. Script	.	...	..	...	...	...	...	10	9¼
Toronto Dairy	.	...	..	...	...	...	...	90½	90½
Toronto R.S.	.	...	..	...	...	...	...	150	150
United Secs., com.	.	...	64½	59	59	64	180	70½	43½
Do. pref.	6	5.71	105	104¾	105	105	107	105¼	103½
Volcanic Oil	63c	...	41	41	41	46	42	47¼	36
Venezuelan Pete. (par $5)	.	...	..	...	...	...	...	7¾	6¼
Wolthausen	.	...	23¼	23¼	23¼	23	150	23¼	20
Wallace Sand	.	...	..	...	...	...	...	3	2¼
Can. Bronze, com.	.	...	50	46	46	...	1036	50	46
Do. pref.	.	...	100½	100	100¼	...	554	100½	100
Can. Celanese	.	...	54	54	54	53	10	54	53

xQuotations for 1926. No sales recorded in 1927 to date.

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Pulp & Paper

HOWARD SMITH'S SHARES SELLING OUT OF LINE NOW

First Four Months of the Year Bring Better Earnings

From Our Own Correspondent.

MONTREAL. — The first four months of the current fiscal year of the Howard Smith Paper Mills have proved very satisfactory and it is understood that earnings are showing satisfactory increases as compared with 1926.

The company's new subsidiary, the Canadian Cellulose, has been in operation for several months and the results achieved have been all that were anticipated. Part of the subsidiary's output finds its way into the Howard Smith mills to be manufactured into fine paper and the remainder is sold on the open market where a good demand has been experienced. For the future, the operations of the Canadian Cellulose should add to the parent company's earnings. The new soda pulp plant has a capacity of from 12,000 to 15,000 tons of soda pulp annually, or about 50 tons daily.

The mill consumes poplar wood which can be obtained at lower cost than the other woods which usually go into the making of pulp. Some of the poplar comes from the company's own poplar timber limits which have been acquired from the province of Ontario.

While the markets for newsprint and sulphite pulp are not strong at present, yet the market for kraft and soda pulp is generally considered to be satisfactory; the good market for soda pulp is one of the factors which should tend to increase the earnings of the company this year.

Shares Out of Line

The shares of Howard Smith Paper Mills seem perhaps to be selling out of line with the shares of other companies having a similar earning power and similar assets behind their issues. One of the reasons for this is the general weakness in the paper group which has been caused by the hesitancy in the newsprint market. However, Howard Smith Paper Mills is not interested in the production of newsprint except in a very minor way. Its output consists of high-grade paper. Some newsprint is manufactured, but it is a high-grade newsprint and the general market for the kind of paper used in the dailies is of no interest to the Howard Smith Paper Mills.

That the shares have not advanced with the shares of companies in a similar position seems entirely due to the general lack of public interest in the paper industry at the present time.

Has a High Yield

Howard Smith preferred stock, selling at 110 yields the investor better than 7 per cent. and at the same time may be classed as a sound investment stock, for even during the ups and downs of the past seven years the company has never earned less than 19 per cent. on its preferred issue.

The common stock has many attractions for the business man who is willing to hold his investment. Last year, the company earned 7.6 per cent. on its common stock. In the past six years it has never earned less than 4.7 per cent. Dividends are not being paid on the common at present and the earnings are being ploughed back into the property — a policy which ultimately cannot result in anything but improving the position of the common shareholders.

The earnings of the company depend principally upon the domestic demand for high-grade paper, although something over 10 per cent. of its output is exported to foreign countries. But the profits on the export business are not large and it is thought that the company holds these markets chiefly to reduce costs through increased production.

Brompton Pulp & Paper Agrees With Employees

From Our Own Correspondent.

MONTREAL—The dispute between the Brompton Pulp and Paper Company and some of its employees has been satisfactorily settled by a board of conciliation appointed by Hon. Peter Heenan, Minister of Labor.

The dispute arose over the allegations of the men who claimed that 25 employees had been dismissed because they belonged to a union; 500 employees indirectly were involved in the dispute which has now been settled. The settlement reached by the representatives of the employees and by the management has been agreed to by both sides.

The employees have agreed that no propaganda favoring any union shall be carried on in the building or the property of the company and the company in turn agrees that there shall be no discrimination in employment between union and non-union employees. The company has also agreed to reinstate as far as possible all employees laid off since the first of the year.

U. S. Newsprint Production Now Showing Big Drop

From Our Own Correspondent.

MONTREAL—The newsprint output of Canadian mills during the first four months of 1927 showed an increase of 13 per cent. as compared with 1926, but the U.S. mills produced 7 per cent. less than in the first four months of last year. This appears to indicate that the long-anticipated decline in the output of the United States is at last making its appearance.

The Canadian production during the month of April amounted to 166,460 tons and the total shipments were slightly in excess of this figure. The newsprint mills operated at 85 per cent. capacity. Production during the first four months of the year has increased satisfactorily, indicating that the mills are finding markets. The following figures compare the production of the Canadian and U.S. mills during the first four months of 1927:

Tons	Canadian	U.S.
January	161,724	135,755
February	150,773	121,318
March	174,094	133,731
April	166,460	130,236

QUEBEC PULP MILL ENTER PAPER FIELD

Situation Surrounding Company Explained by President at Meeting

From Our Own Correspondent.

MONTREAL. — A large number of shareholders of the Quebec Pulp and Paper Mills attended the annual meeting of the company.

In the course of his remarks, A. Stewart McNichols, the president, said that the company could not count on a stable market for mechanical pulp, which was the only product made at the company's mills. Consequently, negotiations were under way with the provincial government leading to the acquisition of further timber limits with which the company could carry out its intended expansion into the paper field. Such expansion was necessary, said the president, in order that the company might realize to the full the profits which were possible from its resources.

In reply to a question, Mr. McNichols stated that he had reason to believe that the government was not unsympathetic towards the company and realized to the full its need for limits so that those dependent on its operations should not suffer. A favorable solution to the company's difficulties was anticipated.

The president also declared, in reply to another question, that the over-production of mechanical pulp and the decreasing demand for this product, had occasioned a decline in the market, and that in consequence it was hardly probable that the profits realized on the operations would be sufficiently high to permit the payment of a dividend, before a paper mill had been set in operation. Nevertheless the president recommended that the shareholders should not dispose of their shares at a low price, as he was convinced that these had a substantial intrinsic value and was of the opinion that with the obtaining of new limits and the putting into execution of the plan for the erection of a paper mill, this would establish a market for the shares more in line with their real worth.

In reply to another question, the president declared that the directors of the company held either in their own name or in the name of the companies which they owned or with which they were associated, about $976,000 in preferred shares and $695,000 common shares, forming a total of $1,671,000 in value of the shares of the company.

Many other questions were asked by the shareholders present, to which the president replied in detail to the satisfaction of those present.

Concerning the sale of the interest which the company had in the Roberval-Saguenay Railway, on which transaction explanations were asked for, the president replied that this asset had been sold to the Aluminum Company of Canada, at the net price of $1,587,000, to be paid in cash, and that the product of this sale had been preserved intact, which could be seen by consulting the balance sheet of the company which showed a surplus of liquid assets over current liabilities of $1,689,000.

The annual report of the directors, the balance sheet and the profit and loss account were adopted unanimously. The retiring directors were re-elected unanimously.

International Paper Expands in Ontario

From Our Own Correspondent.

MONTREAL.—It is understood that the International Paper Company's programme of expansion has now been extended into the province of Ontario and that the company has purchased the controlling interest in the Great Lakes Paper Company from G. M. Seaman and L. L. Alsted. The properties of the Great Lakes Paper Company include a 165 ton groundwood mill at Fort William, Ont., pulpwood limits covering some 5,000 sq. miles and several large power sites. The company recently promised the government of the province of Ontario to erect a 200 ton newsprint mill—the acquisition of the property by the big American producer indicates that this undertaking will be fulfilled shortly.

It is understood that by purchasing the holdings of Mr. Alsted and Mr. Seaman the International Paper Company acquired a 60 per cent. interest in the company. The remaining 40 per cent. interest is owned by E. W. Backus.

Anglo-Canadian Mills Produces by December

From Our Own Correspondent.

MONTREAL.—The first two machines of the Anglo-Canadian Pulp and Paper Mills at Limoilou, Quebec, will be in operation by November next. Work began on the plant last August. The site is situated in the city of Quebec and is located on tidewater. Some 1,400 feet of deep water wharves are being erected so that the largest ocean-going vessels can dock at the company's own berths.

It is expected that both machines will be producing commercial newsprint by December of this year. As soon as the first two machines are operating, the company will immediately commence the installation of its remaining two machines, which, it is expected, will be in operation by June of 1928. With four machines in operation, the company will have a production of at least 110,000 long tons yearly.

The company has in all, limits containing 10,500,000 cords of wood, which is roughly equivalent to 8,000,000 tons of newsprint paper. Of these wood reserves, 8,000,000 cords are located on the Manicouagan river, and 2,500,000 cords are located on the Montmorency limits. Wood from the Montmorency limits, it is understood, can be delivered at the mill at exceptionally low cost.

WILSON APPOINTED

From Our Own Correspondent.

MONTREAL.—Part of the active management of the Canadian Newsprint Co. will devolve on P. B. Wilson, vice-president of the Spanish River Pulp and Paper Mills. Col. Wilson has moved from Sault Ste. Marie, Ontario, to Montreal, and in future will devote himself exclusively to the activities of the newly-formed merger of Canadian newsprint selling agencies. He will, it is understood, continue as a director of Spanish River, in addition to his duties as treasurer of the new sales company.

International Paper Co. Increases Its Dividend

From Our Own Correspondent.

MONTREAL.—The International Paper Company will increase the dividend on its common stock from $2 a year to $2.40, commencing with the dividend payable on August 15 next. Thus, the quarterly rate will be increased from 50 cents to 60 cents per share. The company is issuing a further 500,000 shares of no par value common stock, which will be offered to present shareholders at $30 a share on the basis of one share of the new for every share outstanding. The increase in the dividend rate will raise the dividend requirements on the common stock from $1,000,000 per annum to $2,400.000.

The new offering of common stock has necessitated a change in the convertible terms of the company's $25,000,000, 6 per cent. debentures due 1941. Originally it was provided that these debentures could be converted into new 7 per cent., preferred stock, par for par, and on conversion, the holder of each $1,000 debenture would have the right until Oct. 1, 1928, to purchase one share of common stock at $50. It is now provided that this right will be changed to permit of the purchase of two shares of common, instead of one, for each $1,000 held, at a price of $40 per share in place of the former $50 a share.

For the quarter ending March 31, 1926, the earnings of the company amounted to $261,708 applicable to dividend requirements. For the first quarter of 1927 just concluded this figure of net earnings applicable to dividends, increased to $994,223.

Charles Walmsley Earn Bond Interest Three Times Over

Earnings of Charles Walmsley & Co. (Canada) during the year ended March 31st, 1926, amounted to roughly $180,000, or three times interest requirements on the $1,000,000 6 per cent. first mortgage bonds outstanding. There was also an appreciation of assets which at the end of last year, after allowing for depreciation, amounted to almost $3,000 for each $1,000 bond outstanding.

This company was incorporated in 1923 to take over the assets and undertakings of the Armstrong, Whitworth of Canada, Ltd., and is controlled by the Sir W. G. Armstrong, Whitworth & Co., of London. A large number of newsprint machines installed throughout Canada are the product of the Walmsley plants, made either in England or at the Canadian plant. Some of the well-known newsprint companies operating Walmsley machines are: Price Bros. & Co., E. B. Eddy Co., Brompton Pulp and Paper Co., Provincial Paper, Ltd., and other companies. The plant of the company has been operating at or near capacity for the past four years.

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The Laurentide Company
Limited
Manufacturers of
Ground Wood - Sulphite Pulp
Wood Boards and Newsprint Paper
GRAND'MERE - QUEBEC

The Spanish River Pulp and Paper Mills Ltd.
SAULT STE. MARIE, CANADA
Manufacturers of News Print Paper

Production—720 tons daily.
Mills at
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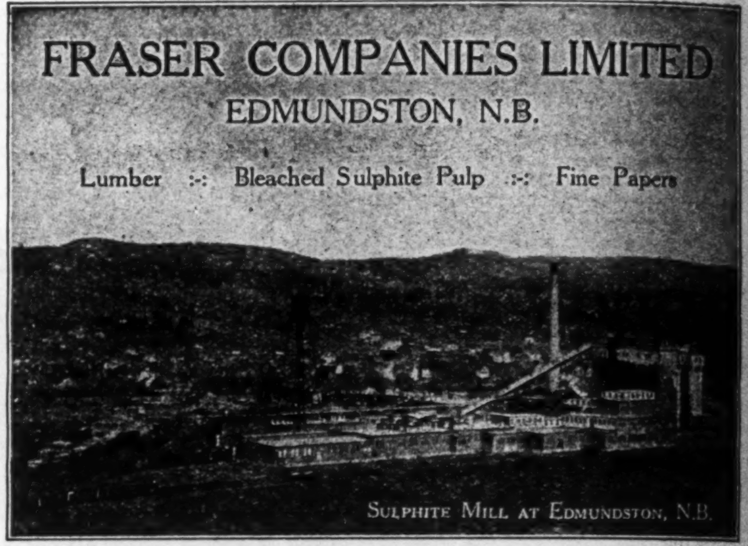
Three Rivers, Que.

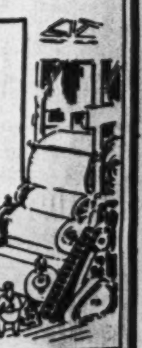


Abitibi Power & Paper Company
Limited
NEWSPRINT
Head Office: Montreal Mills: Iroquois Falls, Ont.

Annual Capacity: 150,000 Tons of Groundwood Pulp. Mills at Chicoutimi and Val Jalbert, P.Q.

Quebec Pulp and Paper Mills
Limited
Executive Office: CHICOUTIMI, P.Q.
Cable Address: "SAGUENAY, CHICOUTIMI"

St. Maurice Valley Corporation

Successors to
Belgo-Canadian Paper Company, Limited, Shawinigan Falls, P.Q.
St. Maurice Paper Company, Limited, Three Rivers, P.Q.
Yearly Output—255,000 Tons Newsprint

Head Office:
MONTREAL-QUEBEC

PORT ALFRED PULP & PAPER CORPORATION
Newsprint and Sulphite Pulp
HEAD OFFICE:
CANADA CEMENT COMPANY BUILDING
MONTREAL, P.Q.
Mills at PORT ALFRED, P.Q.

Making Your Will

A Series of Discussions on Estate Building, Wills, Succession Duties, Etc.

Fourth Article: MORE ABOUT TRUSTS IN WILLS.

By RALPH C. GEDDES, Field Officer, Toronto General Trusts Corporation.

A trust is the only sure means of controlling the uses to which a bequest may be put. A gift of any size is seldom made in a will without the testator having in mind some definite purpose that it shall serve; yet, if it is in the form of an absolute bequest, its fate is entirely in the hands of the recipient. Acting from none but the best of intentions, this person may nevertheless lose this capital and thus defeat the testator's wishes, or else circumstances may arise that will divert it into some channel that the testator had never contemplated. To be sure, the testator will be dead, and it really will not matter very much to him; but, on the other hand, no one likes to think that property which cost him considerable effort to acquire is not going to be used as he intended.

Limited Control Over Such Bequests

It is quite true that a man can exercise a certain amount of control over absolute gifts by means of expressions of his wishes during his lifetime impressed upon his family and even set out in his will. But the force of events may be too much for his beneficiaries, and always there come into being certain elements of chance, any one of which may negative his wishes. This is not usually a matter of indifference to any testator except with regard to those gifts in whose ultimate use he does not feel any concern.

A testator may make a bequest to his brother, or his father, or a grown-up son or to a nephew, and feel that it is their own fault if they do not make a good use of it. Yet he cannot escape the feeling that his obligation does not end so easily in the case of bequests to his wife, or his mother, or his daughter, or to anyone who was or might have become dependent on him during his lifetime.

Widow's Needs are Paramount

The whole point is well illustrated in the case of a man with a wife and family of minor children. The bulk of his property is needed for the benefit and protection of these dependents. His first duty is to confer the benefit of his estate—less any minor bequests he may wish to make—on his wife, and through her on the children. His wife is thoroughly in accord with his wishes in respect to the children either as the result of a tacit understanding or of many discussions concerning their welfare.

If he leaves the property for her absolute use, she will live within the income or will try to do so as nearly as possible for the sake of leaving as much of the capital as she can to the children. Thus far his wishes control the estate, and all would go well if other influences did not intervene.

Things to Guard Against

Any loss of capital means less income in the future, and a possible further depletion of capital. Serious loss may wipe it out completely, and this has happened not infrequently through no active fault of the widow. Even if she may be careful and shrewd, some of the children may prove reckless and extravagant as they get older, and may even exercise an undue pressure or persuasion to have large sums advanced to them only to be wasted in unsuccessful enterprises. None of these are uncommon experiences in the lives of persons whom we know, and they serve to indicate some of the many ways in which capital can be lost apart from any lack of business ability of the widow herself.

A trust created of the capital provides the right sort of protection against conditions that may arise either within the family or outside of it. A portion of it can be continued after the mother's death as a trust fund for the protection of her daughter and will provide a separate income for her whether she marries or not. It can be made tha safeguard of a fund allocated for the college education of the children, but so flexibly that, if the fund is needed for more essential purposes, it can be so used. In this case the children may probably have to forego the college education, but only, of course, because the necessities of the mother or other members of the family require such a sacrifice.

When Widows Marry Again

And then there is the question of the remarriage of the widow, which is one that should be considered fairly by husband and wife alike, especially if there are children. It should however, never be confused by the idea that any conditions that the husband may wish to attach in this regard are actuated by selfishness. No one would deny the widow's right to marry again if she wishes to do so; but, in that event, it is not unreasonable to say that she should not need the full amount of protection and benefit that her husband's estate has hitherto afforded her. So much of it as was jointly accumulated by them for the sake of the children should be passed on to the children at that time, and the balance after their mother has had the use of it. Or, if the testator does not wish to deprive his wife of any of the benefit from his estate, he should at least assure that the children will receive it at their mother's death.

It is not proposed here to lay down a rule for anyone to follow in such a case, but merely to indicate the angle from which this rather vexed question can be viewed in a sensible manner. Attention is also drawn to it, as illustrating a set of circumstances which, if the testator is going to control at all, he must control in his own will.

Restrictions, But Not Hardships

In this, as in all other trusts, it must be realized that, while they necessarily impose restrictions, they ought not to create hardships for any beneficiary. They should seek only to promote the best interests of the beneficiaries. There are always some dependents who will find irksome the terms of even the most lenient of trusts, but these are the ones who usually most need to be guarded against themselves.

The next two articles will deal with the way in which the amount of succession duty payable on estate is affected by the creation of trusts.

Warm Weather Needed in Saskatchewan for Growth

From Our Own Correspondent.

REGINA—Seeding has been pushed energetically during the past week, according to telegraph reports received by the Statistics Branch of the Department of Agriculture. Notwithstanding the fact that rain interfered at intervals with work on the land, particularly in the south-east corner, and at some points in the central and west central districts, seeding has made very satisfactory progress during the week. There is a wide variation in the amount in different parts of the province, due to weather conditions, but there appears to be about fifty per cent. of the wheat seeded.

A very small percentage of the coarse grains is in the ground as most farmers are devoting their attention to the wheat seeding. There are still a few low spots that are too wet to be worked. Pastures are coming ahead slowly, but with warm weather growth of both grains and pastures will be rapid as there is plenty of moisture in the soil.

Pulp and Paper

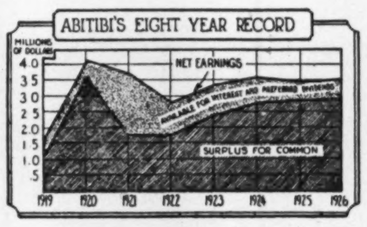
(Continued from page 6)

SEES ATTRACTIONS IN ABITIBI POWER

Magazine of Wall Street Considers it Attractive at Current Levels

Although Abitibi Power & Paper stock has been listed in New York for almost two years, its market action has been so inconspicuous and price changes so gradual that the great rank and file of investors have passed it by in favor of its more volatile brethren, says a discussion of this stock by the Magazine of Wall Street. Nevertheless, the company is one of the largest paper manufacturers in the Dominion of Canada, while a survey of the fundamentals underlying reveals considerable substance behind the shares.

Abitibi is primarily a manufacturer of newsprint. It owns either directly or through wholly-owned subsidiaries a modern newsprint mill having an annual capacity of over 160,000 tons, complete with its own sulphite and groundwood mills. Through a subsidiary, the Abitibi Fibre Company (formerly the Mattagami



Pulp and Paper Company) owns a sulphite mill with an annual capacity of from 50,000 to 60,000 tons. Further, it is interested jointly with the Spanish River Company in control of Ste. Ann Power & Paper Company which is building a 250-ton daily capacity newsprint plant just outside of Quebec.

Aside from its normal commercial activities the company is prominent in the development of water power projects, its four hydro-electric plants having a developed capacity of 115,000 h.p. Abitibi already derives a fair revenue from the sale of electrical energy, with the promise of considerable expansion in this direction as the adjacent territories increase in population and commercial importance.

As of December 31, 1926, Abitibi was in what might be termed fair financial condition. Current assets aggregated 3.69 millions, against current liabilities of 1.72 millions, indicating net working capital of 1.97 millions. The company had no bank loans outstanding and owned almost a million cash. Since 1926 was a year of expansion, and large sums were diverted to the acquisition and improvement of several plants, the above resume probably does not paint a true picture of its actual resources.

How well the company has turned its advantages to account is illustrated by its consistently good earnings record. Although the industry served is one subject to rapid transitions from prosperity to leanness and vice versa, in no year of the last seven has Abitibi earned less than $7.25 a share on the common. As a matter of fact, in five of these seven years, earnings have exceeded $10 a share. Net last year showed normal expansion, being equal to $11.56 a share. It is interesting to note, in this connection, that while net earnings available for the common have totaled $80.62 a share during the period 1919-1926, only $26.50 have been paid out.

While newsprint prices of $65 a ton do not permit the company to demonstrate its full earning capacity, Abitibi is likely to make a better showing this year than last, increased production and expanding operations being an offset to the lower price level. Since the recent increase in the dividend rate to $5 a share, obviously does not exhaust possibilities along these lines, the stock appears in an attractive light at current price levels," concludes the review.

Monthly Blue Book on Trade Returns Now Discontinued

Hereafter the monthly blue book on trade returns, published by the Department of Trade and Commerce, will be discontinued. In its place a series of quarterly reports will be issued as for the three months ended June 30th, September 30th, December 31st, and March 31st, respectively.

The new series will contain the monthly statistics for each of the three months included in the quarter, as well as the accumulated totals for the fiscal year to date. The introductory and summary tables will be continued as in the monthly report, with minor changes to conform with the new arrangement for publication. The subscription price of the quarterly report will be $2 per annum, payable in advance.

The monthly mimeographed summaries of trade will be continued. These will include a summary of imports, exports and duty collected; by countries and principal commodities; trade with the United Kingdom; trade with the United States; and a series of commodity bulletins on grain and flour, meats and lard, milk, rubber, vehicles, pulp and paper, and footwear.

Canada Iron Foundries' Earnings Increasing

From Our Own Correspondent.

MONTREAL.—The present firmness in the shares of the Canada Iron Foundries is due to the fact that earnings for the first six months of the current fiscal year are understood to show a satisfactory improvement as compared with the earnings of the same period last year. The last fiscal year ended on Sept. 30, 1926; since that date the stockholders have changed the conclusion of the fiscal year to December 31.

The preferred shares of the company are now on a 4 per cent. dividend basis, the present quotations are between 55 and 60. The common, which sold as low as 8 last year recently changed hands at 14½. The reason for the increase in the price in the common stock lies in the fact that the preferred shares are non-cumulative.

The stock is listed on the Montreal stock exchange, but transactions are rare, for the stock is closely held and the present holders appear to be satisfied with their securities. The last annual report showed a net profit of $138,824, to meet the 4 per cent. preferred dividend requirement of $155,112.

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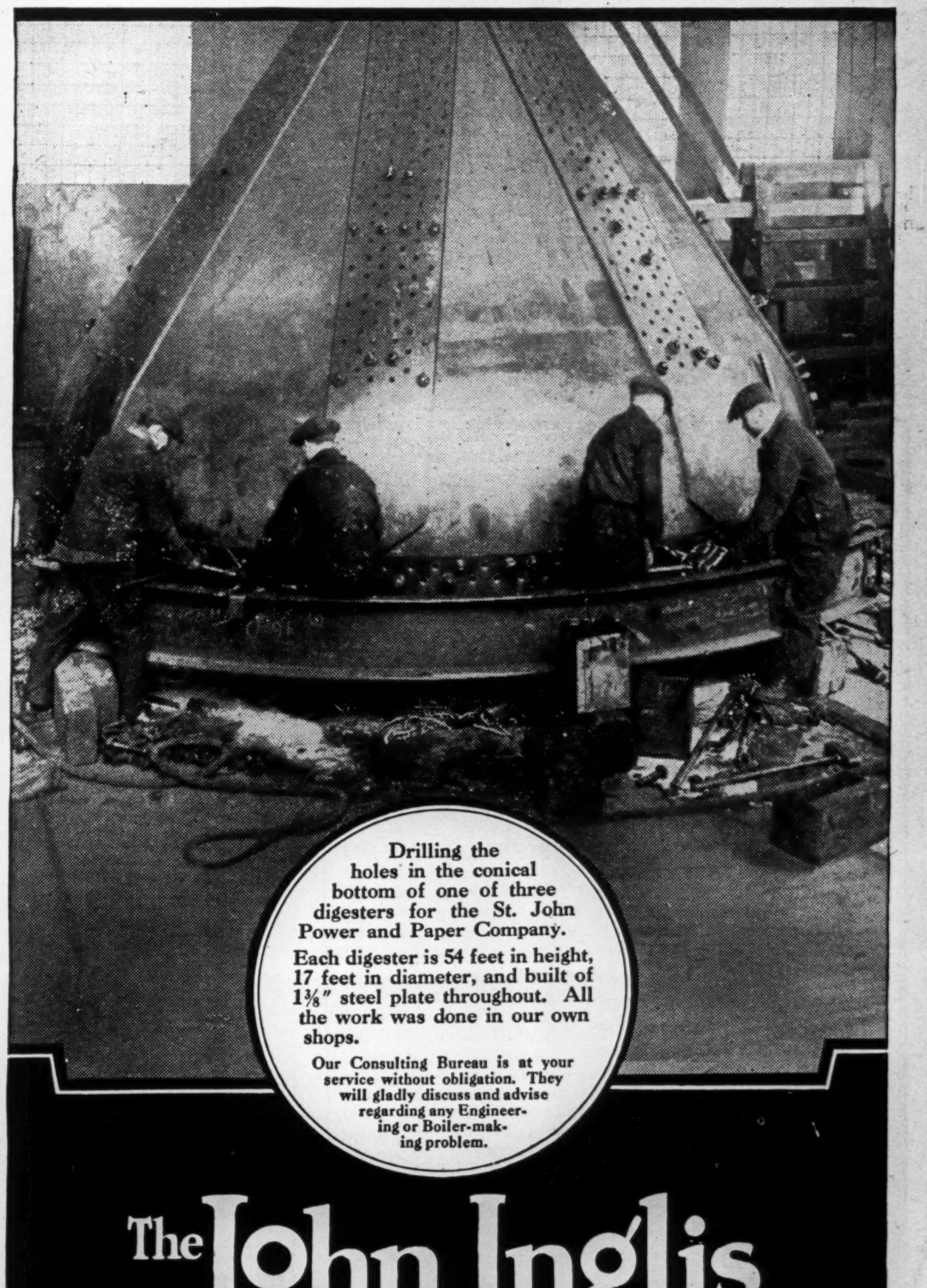

Drilling the holes in the conical bottom of one of three digesters for the St. John Power and Paper Company.

Each digester is 54 feet in height, 17 feet in diameter, and built of 1⅜" steel plate throughout. All the work was done in our own shops.

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Public Utilities

INTER. UTILITIES SHOWS $500,000 GAIN IN PROFIT

Betterment Does Not Include Excess in Sale of Investment

Increase of more than $260,000 in net earnings for the first quarter of 1927 and more than $500,000 for the twelve-month period ended March 31st, are shown by the consolidated income account of International Utilities Corp. International Utilities controls Canadian Western Natural Gas, Northwestern Utilities, and other companies.

The increased earnings for the twelve months do not include a special profit of $440,000 which resulted from the sale of the corporation's investment in Southwestern Utilities during the period.

Gross earnings for three months ended March 31, 1927, amounted to $1,669,185 as compared with $1,326,299 for the same period of 1926, and, after deduction of operating expenses, net for the quarter was up at $899,804 interest and expense left net income of $685,561, while appropriations for depreciation, amortization, etc., revealed consolidated net earnings of $404,947, up from $220,913.

Figures for the 12 month period show operating revenue up at $5,309,033 from $4,516,328, net earnings up at $2,427,836 from $1,926,840, net income at $1,569,384 as compared with $1,069,639, while consolidated net earnings for the year were up at $803,029 from $406,669.

The following tables present comparative figures for the 3 months and for the 12 month period:

	3 Mos. end. Mar.31, 1927	3 Mos. end. Mar.31, 1926
Oper. rev.	$1,669,184	$1,326,298
Oper. exp.	769,380	688,311
Net earn.	899,803	637,987
Int. charges	214,242	208,352
Net inc.	685,560	429,635
Appropriations	176,005	129,751
Undist. inc.	509,555	297,119
Applic. to m. stk.	104,609	76,205
Cons. net earn.	404,946	220,913
	12 mos. end. Mar.31, 1927	**12 mos. end. Mar. 31, 1926**
Oper. rev.	$5,309,032	$4,516,238
Oper. exp.	2,881,196	2,589,398
Net. earn.	2,427,836	1,926,839
Int. charges	858,452	857,200
Net inc.	1,569,384	1,069,639
Appropriations	478,616	517,954
Undist. inc.	1,098,136	548,524
Applic. to m. stk.	295,107	141,854
Cons net earn.	803,028	406,669

Public Utility Earnings

Duluth Superior Traction

	1927	1926	Inc.
Month of April	$156,030	$148,147	5.3%
First week May	34,710	33,084	4.9%
Year to date	715,655	676,964	5.7%

SOUTHERN CANADA POWER

April	1927	Inc.
Gross earnings	$121,034	$5,848
Oper. expenses	43,773	5,451
Net earnings	$77,261	$ 397
7 Months—		
Gross earnings	$890,815	$70,009
Oper. expenses	295,908	28,805
Net earnings	$594,907	$41,204

RAILWAY EARNINGS

Week end. May 14	1927	1926	Change
C.N.R.	$5,157,076	$5,149,602	+$ 7,473
C.P.R.	3,341,000	3,474,000	—133,000

Two Paper Mills Near Quebec Move Ahead

The two paper mills now being erected in the vicinity of Quebec are progressing very favorably. At Beaupre, the paper machines are almost installed and testing will start within the next week or so. The Anglo-Canadian Pulp and Paper Company's plant is nearly half completed and satisfaction in the progress of the work is reported by the contractors.

QUEBEC POWER WILL SIMPLIFY ITS FINANCES

Calls Subsidiary's Bond Issue — Reduces Domestic Rates Very Materially

From Our Own Correspondent.

MONTREAL.—A further simplification of the financial structure of the Quebec Power Company's subsidiary, the Quebec, Railway, Light, Heat and Power Company, is to be undertaken. The subsidiary will redeem its income and its general mortgage bonds which will be replaced by an authorized general and refunding mortgage issue to the aggregate amount of $50,000,000. A special general meeting of shareholders will take place on May 26, to consider the new financing.

The total outstanding capitalization of the Quebec Railway Light, Heat and Power Company is as follows:

Consolidated 5 p.c., 1939 bonds	$9,151,000
General mortgage 1939 bonds	1,818,000
Income 1951 bonds	3,307,200
Stock $100 par value	$2,500,000

Room for Expansion

From the foregoing it will be seen that after the redemption of the two junior bond issues and after allowing sufficient to redeem the 5 per cent. consolidated issue at or before maturity, the company will have over $34,000,000 of the new bond issue in its treasury to take care of future expansion. The fact that such a sum is available indicates that the management feels that expansion in the area will be of some magnitude within the next few days. The income bonds will be redeemed on September 1 of this year, while the general mortgage bonds will be redeemed on July 1.

In the meantime the Quebec Power Company, the parent company, has announced a reduction in its electric lighting rates in the city of Quebec from 6 cents net to 5½ cents net per kilowatt hour. The reduction is in line with the policy of Shawinigan and its subsidiaries to reduce rates as conditions warrant.

Usually Helps Shareholders

It is significant that rate reductions by the power companies in the province of Quebec have been accompanied by satisfactory developments as far as the shareholders are concerned. The Montreal Light, Heat and Power's policy of allowing both the public and the shareholders to benefit at the same time has proved its soundness.

The new 5½ per cent. rate compares with 7 cents in 1923, 12 cents in the summer of 1913, and 10 cents in the winter of 1913.

The general expectation is that the common shares of the Quebec Power Company will be split four for one and placed on an initial dividend basis of $2 per share.

LAKE OF THE WOODS IS IN POWER SUIT

From Our Own Correspondent.

MONTREAL. — The controversy between the Lake of the Woods Milling Company and the Backus interests, touching the rights to hydraulic power from the waters of the Lake of the Woods has finally, after some eleven years, come before the courts and should be definitely settled shortly.

The action has been taken by the Keewatin Power Company which seeks an order of the courts preventing the Lake of the Woods Milling Company from diverting water from the Lake of the Woods through their lands and premises and from other interferences with what the Keewatin Power Company alleges are its rights. The power company also claims damages on account of water diversion which, it alleges, has seriously impaired its water powers.

The original user of water power rights in the district was one, John Mather, who about 1887 erected a mill; the mill was followed by a reduction plant erected to handle the ores discovered in the area. It proved an unprofitable venture and eventually the Lake of the Woods interests acquired the plant and the power rights and erected the Keewatin Flour Mills which is a wholly-owned subsidiary of the Lake of the Woods Milling Company.

Company Denies Claims

About 20 years later, the Keewatin Power interests acquired a site to develop power and some years ago the Backus interests secured control of this company. After many years of undisputed use of water power, the Lake of the Woods Milling Company has taken exception to the claims of the Keewatin Power Company and as defendants in the case, deny the plaintiff's claims.

The milling company also claims the right to use of the waters upon which its lands are located to the extent that the company is at present using these waters.

The Lake of the Woods Milling claims the right to use the waters of the Lake of the Woods for operation of its mills by means of the watercourse from the Lake of the Woods to the Winnipeg river and the company claims that this was done with the knowledge and consent of the Keewatin Power interests and their predecessors and that the flour mills have been erected on that understanding. The milling company also claims that it has used these waters for 20 years and therefore pleads the Limitations Act.

OTTAWA-MONTREAL SHARES BRING $40

From Our Own Correspondent.

MONTREAL—The Ottawa - Montreal Power Company's shareholders are to receive $40 a share for their common stock. A. J. Nesbitt, president of the company and president also of the Power Corporation of Canada, which owns a controlling interest in the Ottawa-Montreal Power, has stated that the $40 offer for the shares has been accepted by the Power Corporation on the condition that all shareholders of the subsidiary be given the opportunity to dispose of their stock at the same price. The management is recommending that the shareholders accept the offer.

While no official announcement has been made indicating who are the purchasers, yet it seems to be generally understood that the company will pass into the hands of the International Paper or one of its subsidiaries. The reason for this lies in the supposition that the Gatineau Power Company, the subsidiary of the International Paper, desires to obtain a wider market for its power and that this will be accomplished through extensions to the Ottawa-Montreal Power Company's distribution system.

The shareholders are faring well in the sale, for the transactions in the stock on the Montreal Curb Market have been in the neighborhood of $20 per share.

£

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(Series A)

To be dated June 1st, 1927. Due June 1st, 1947.

Principal and semi-annual interest (June 1st and December 1st) payable, at the holder's option, in Canadian gold coin at The Royal Bank of Canada, in Montreal or Toronto, or in United States gold coin at the Agency of The Royal Bank of Canada, New York. Coupon Bonds in denominations of $1,000 and $500 with privilege of registration as to principal. Fully registered Bonds in denominations of $1,000 and authorized multiples thereof. Redeemable in whole or in part on any interest payment date on sixty days' notice at 103 and accrued interest, if redeemed on or before June 1st, 1934; at 102 and accrued interest, if redeemed on or before June 1st, 1941; and thereafter at 101 and accrued interest. Montreal Trust Company, Montreal, Trustee.

Annual Cumulative Sinking Fund commencing June 1st, 1932, sufficient to retire at or before maturity all of the Bonds of Series A.

Legal investment for Life Insurance Companies under the Insurance Act, 1917, Canada

For detailed information, we refer to the prospectus containing letter from Mr. J. S. Norris, President of the Company, which has been summarized in part as follows—

The Company

Montreal Coke & Manufacturing Company, a Quebec corporation, has purchased a plant site of more than 70 acres adjoining the gas plant of Montreal Light, Heat & Power Company at Ville La Salle, near Montreal. On this site the Company is constructing and will operate a modern coke and gas plant, including 59 Koppers combination coke-ovens and by-product plant for recovery of tar and ammonium sulphate, together with all necessary auxiliary equipment. It is expected that the plant will be ready for operation not later than July 1st, 1928. The Company has also leased the gas manufacturing plant of Montreal Light, Heat & Power Company at Ville La Salle.

The properties to be operated by the Company have a total annual capacity of approximately 450,000 tons of coke, 9,000,000,000 cubic feet of gas and resultant by-products.

Markets

The Company will be afforded an immediate market for gas through an agreement, running beyond the maturity of these Bonds, with Montreal Light, Heat & Power Consolidated. The Company's production of coke will be disposed of to industrial and domestic consumers.

Security for Bonds

The Bonds will be secured by first specific mortgage and charge on all the Company's real and immovable properties and by floating charge covering all other assets.

Fixed assets of the Company on completion of present construction program, exclusive of working capital, are conservatively estimated to have a value of not less than $5,500,000. The Company will covenant that upon completion of the plant, it will have net current assets of not less than $800,000.

On completion of proposed plant, net earnings available for bond interest are estimated at $665,000, or over three times annual interest charges on this issue of Bonds.

Ownership

All of the Common Shares of the Company are owned by Montreal Light, Heat & Power Consolidated, and through a wholly-owned subsidiary by The Koppers Company (of Delaware) and $2,000,000 par value of Preferred Shares will be subscribed for in equal amounts by these two Companies.

We offer these Bonds for delivery, if, as and when issued and received by us and subject to the approval of our Counsel, at

Price: 100 and interest, yielding 5.50%

Wood, Gundy & Company
Limited

Montreal, Hamilton, London, Ont. — 36 King St. West, TORONTO, Telephone: Elgin 4321 — Winnipeg, New York, London, Eng.

The information contained in this advertisement is based upon statements and statistics which we believe to be reliable. We do not guarantee, but believe the statements herein made to be true.

ISSUE BY UNITED SECURITIES WILL BETTER POSITION

Report Shows Fair Earnings and Larger Bank Loans

From Our Own Correspondent.

MONTREAL.—The annual report of the United Securities, Limited, for the year ending March 31, 1927, gives the shareholders a better idea of the earning position of their company than did the preceding report. The previous report covered the initial operations of the company and also covered a period longer than twelve months. Thus the earnings during the last two fiscal periods are hardly comparable. The profit and loss figures for the year compared with the preceding period follow:

	1926	1925
xGross income	$227,643	$421,525
Gen. exp. tax, etc........	16,793	88,235
Balance	216,849	333,290
Interest	147,807	137,623
Balance	63,042	195,667
pFrom Q-N.E.	400,000	666,666
Total	463,042	862,233
Amortization	149,097	248,496
Balance	313,944	613,837
Pfd. divs.	307,047	520,050
Surplus	6,897	93,857
zPrev. surp.	73,335	......
P. and L. balance	80,233	......

x—From bonds, stocks and loans.
p—Received on acct. of Quebec-New England Hydro Electric Corporation.
z—After adjustments.

Balance Sheet Changes

In the balance sheet, the company's holdings in its subsidiaries have been increased by over $70,000 during the year, whilst the asset covering the company's contract for the sale of the Quebec-New England Hydro-Electric Corporation to the Montreal Light, Heat and Power, has been reduced by $140,000. The Montreal Light, Heat and Power is acquiring this company by a series of payments extending over a term of years. Thus, this asset will show an annual reduction. The bank loan has been increased from $2,-300,000 to $3,200,000.

In the report, Julian C. Smith, the president, outlines the steps which have been taken to simplify the connection existing between the United Securities and its principal subsidiaries. The Montreal Tramways and Power Company has been eliminated and the Consolidated Securities, Limited, takes its place. In the latter company, United Securities owns 8,717 common shares out of the total capital of 8,794 shares.

Will Eliminate Loans

In explaining how the bank loan will shortly be eliminated from the balance sheet, the president says in part in his remarks to the shareholders:

"A second step now to be taken is to fund the indebtedness of the company. To this end, the company will purchase, at a price of par and accrued interest, from Consolidated Securities, Limited, $3,800,000 aggregate par value of 6 per cent. 30-year collateral trust sinking fund gold bonds to be created by that company. These bonds will be hypothecated in favor of an issue of 5½ per cent. 30-year collateral trust sinking fund gold bonds which have been created by your directors, and which action you will be asked to ratify at a special meeting to be held following the adjournment of this meeting. Upon these bonds being sold, the effect on the balance sheet will be to retire the entire amount of the bank loans shown in the liabilities, while in the assets the loans to subsidiary corporations will be replaced by the bonds of Consolidated Securities, Limited."

At the special meeting the new financing was authorized. It is intended to issue at the present time $3,600,000 of 5½ per cent., 30 year bonds, to be known as series "A."

It was explained that the balance of the bonds can be issued only for the purpose of providing funds to take up subscription to stock of Montreal Tramways Company, should any stock issue be made, so that control of the Tramways Company be retained. The proceeds of Series "A" will be used to pay off bank loans and to clear up outstanding obligations of subsidiaries.

The creation of a bond issue which will be senior to the preferred stock, it was explained, does not in any way change the situation whereby the United Securities preferred dividend is guaranteed by Montreal Power and Shawinigan.

Further simplification of the organization was hinted at when it was stated that it is hoped eventually to liquidate Consolidated Securities and transfer its assets direct to United Securities. This is an ultimate aim and certain intermediate steps must first be gone through.

In response to a question of a shareholder at the annual meeting, Julian C. Smith, president, stated that the item of investments ($5,614,311) was made up of the following:

Acquired by exchange—Montreal Tramways & Power Company, 174,378 shares common stock, equivalent to 8,718 shares of Consolidated Securities, $2,606,080 acquired by purchase; Canadian Light and Power Company, $1,302,000 par value 5 per cent. 40 year first mortgage bonds, due 1949, and 18,593 shares of common stock, $2,824,525; Montreal Hydro-Electric Corporation, $200,000 par value 5 per cent. first mortgage bonds, due 1950, $181,205, and 250 shares common stock, $2,500. These items together make up the total of $5,614,311 shown in the balance sheet as investments and subsidiary companies.

INTERNATIONAL PETE TO INCREASE PRODUCTION BY 40 PER CENT.

(Continued from page 1)

view of the activities of this company which emanates from official quarters:

The company operates in South America with producing property at Negritos, Peru, which comprises a freehold tract about 500 square miles, only a portion of which has been drilled upon. The company also owns property in Ecuador on which drilling operations are now being carried on.

The refining and shipping port is at Talara, about 40 miles north of Payta, Peru. The refinery is a modern one, having been completely rebuilt during the last few years. The company also operates its own case and can factory at Talara.

The company supplies the local trade in Peru with gasoline, refined oil and lubricating oils in cases and drums and exports gasoline and refined oil to Chile, Ecuador and Panama. It also supplies the local market with fuel oil in bulk and furnishes bunker oil at Talara, as well as making shipments of fuel oil to Chile. Surplus products are exported.

The company has bulk storage tanks for the various products manufactured at Talara, also bulk storage tanks and distributing stations at Payta, Callao and Mollendo, Peru, Pisagua, Iquique, Tocopilla, Antofogasta, Taltal and Valparaiso, Chile, and at Balboa, Panama Canal.

How Production Grows

Operations in Peru have shown a consistent increase in the production of crude oil, the production for recent years having been as follows:

	Barrels
1921	2,825,579
1922	4,386,938
1923	4,637,112
1924	6,476,661
1925	7,347,610
1926	8,632,107

At the end of 1925 there were 1,202 producing oil wells and 4 gas wells on the Peruvian property. Total wells drilled in 1925 were 84, of which 73 were productive. The average initial production of the completed producing wells was 344 barrels, and their average depth 1,643 feet.

At the end of the year 1926 there were 1,316 producing oil wells and 6 gas wells on the Peruvian property. Total wells drilled in 1926 were 147, of which 124 were productive. The average initial production of the completed producing wells compares favorably with that of the preceding year. The largest individual producing well had an initial capacity of 3,100 barrels, and the total footage drilled was 260,000 feet. There are at present 50 strings of tools in operation. The absorption plants in the field recovered 11,040,447 gallons of gasoline. The residual gas from these operations is used as fuel in the refinery and for drilling. Within La Breay Parinas Estates, the acreage of proven territory has been further extended by carefully located test wells. Six wells are now drilling on new concessions recently acquired under the provisions of the petroleum law.

Tropical Oil Co. acquired the De Mares Concession in Colombia, and at the time the Tropical Oil Co. shares were acquired as above, had drilled three wells on the property.

Colombia Enters Field

Initial results of the years of effort put forth by the International Petroleum Co., through its subsidiary, the Tropical Oil Co., were made manifest during the year, when for the first time the republic of Colombia became a contributor to the world's supply of petroleum. The export movement was made possible, not by our subsidiaries alone, but by the Andian National Corporation, Limited, which in the month of June completed its 360-mile pipeline from the Infantas field, in which the Tropical Oil Company operates to the coast at Cartagena. Since July 4, 1926, this line has been delivering to tank steamers approximately 30,000 barrels of crude oil per day, and at present the Andian National Corporation, Limited, is engaged in enlarging its capacity to 50,-000 barrels a day. It is expected that this work will be completed about July 1st.

Production of crude in Colombia during 1926 was limited to the capacity of the pipeline and to the local requirements of the country. A total of 6,443,540 barrels was produced, as against a production of 66,480 barrels in the year 1921. It is estimated that the production of crude for 1927 at 14,500,000 barrels, of which 13,-500,000 barrels will be exported, if the looping of the Andian National Corporation's pipeline is completed as expected by the middle of the year.

Development of the Tropical Oil Company's concession in Colombia indicates that 18,000,000 barrels of crude will be available for export in 1928 and subsequent years, and that this amount could be increased if further pipeline capacity over and above the present increase to 50,000 barrels a day is made available. During 1927 and for years to come, Colombia will be an important contributor to the world's supply of petroleum.

In 1926 the Tropical Oil Co. completed 74 wells, of which 72 were productive. The initial flush production for 67 tested wells was 74,650 barrels, or an average of 1,114 barrels per well. At the end of 1926 there were 141 producing wells on the property, which are not being operated to capacity, but only to the extent of producing sufficient crude to take care of all pipeline deliveries for export consistent with the existing facilities, as well as refinery requirements for marketing within the country.

On Infantas Anticline

The outstanding result of development in Colombia during the year was the drilling of a number of highly productive wells on the new structure to the northwest of the Infantas anticline. This is known as the La Cira anticline, and production has been obtained from three producing horizons, the lowest of which corresponds to that from which production was obtained on the Infantas structure, and proves to be even more productive. A producing well has also been developed on the San Luis anticline, and drilling is being continued on the structure as well as on the Colorado anticline to the South of Infantas. Some additions have been made to the refinery and case and can plant at Barranca Bermeja, and during 1926 the daily average crude run was 2,019 barrels. Increased consumption of petroleum products in the Republic of Colombia resulted in a growth of 37 per cent. in sales in that country over the previous year.

In the more recent past International Pete also has been making progress. Four wells have been completed in Colombia and Peru in April. Production in Peru is likely to be curtailed owing to the surplus of light oil in the United States, but the Colombian production is being maintained to the capacity of the pipe line.

Production of International Petroleum in Colombia during March totaled 1,052,-236 barrels, average of 33,943 barrels daily, compared with 910,000 barrels, average of 32,500 daily, in February and 53,163 barrels, average of 1,715 daily, in March, 1926. Of total Colombia production in March 856,000 barrels were imported into the United States.

Production of International in Peru totaled 775,000 barrels in March, average of 25,000 barrels daily, against 700,000 barrels, average of 25,000 daily, in February, and 723,788 barrels, average of 23,348 daily, in March, 1926.

Dominion Bank Changes

Dominion Bank announces the following staff changes:

M. E. Roberts, formerly manager at Dufferin Street and Lappin Avenue branch, Toronto, has been appointed manager at Queen and Sherbourne Streets branch, Toronto.

N. J. O'Flynn, formerly manager of the savings department at Toronto branch, has been appointed acting manager at Yonge and Hayden Sts. branch, Toronto.

Trail Smelter Receipts

The Consolidated Mining and Smelting Company makes the following statement of ore receipts at Trail Smelter from May 1 to 7, 1927, inclusive, and from January 1, 1927, to date, in tons:

	Week	Year
Company's mines	5,286	146,963
Other mines	3,545	59,996
Total	8,831	200,959

Have You A Warehouse in the West?

This Building May Suit You

Located at Brandon, Man., with excellent trackage facilities, suitable for offices or warehouse; a good proposition well worth investigating by manufacturers or wholesalers interested in establishing Western branches.

For information as to price, terms, and other particulars, write

Box 47, Financial Post, Toronto, Ont.

Orders having been received in excess of the amount of stock offered, this advertisement appears as a matter of record only.

NEW ISSUE

$1,250,000

Canadian Bronze Company, Limited

7% Cumulative Sinking Fund Preference Stock

Par Value $100 per Share

The Cumulative Sinking Fund Preference Stock is to be fully paid and non-assessable; entitled to cumulative preferential cash dividends at the rate of seven per cent. per annum, payable quarterly by cheque at par at any branch in Canada of the Bank of Montreal; preferred as to assets and accrued dividends, in the event of liquidation; callable as a whole or in part at $110 per share and accrued dividend on thirty days' notice. Preference dividends will be payable August 1, and quarterly thereafter, the first dividend to accrue from May 4, 1927.

TRANSFER AGENT: ROYAL TRUST CO. REGISTRAR: TORONTO GENERAL TRUSTS CORPORATION

Capitalization	Authorized	Issued
7% Cumulative Sinking Fund Preference Stock	$1,500,000	$1,250,000
Common Shares of No Par Value	50,000 Shares	40,000 Shares

The Company has no bonded debt and no bonds can be issued without the consent or approval of the holders of 66-2/3% of the preference shares.

Mr. P. R. Diamond, Managing Director of the Company summarizes his letter to us as follows:

Canadian Bronze Company Limited has been organized to acquire all the assets and undertakings of Canadian Bronze Limited, St. Thomas Bronze Company Limited and Northwestern Brass Limited, by means of the ownership of all the outstanding securities of these companies. The business has never had an unprofitable year since its establishment in 1896.

Business The Company manufactures bronze bearings, bushings and castings, principally for freight and passenger cars and locomotives in Canada. The Company supplies all but a small fraction of the total railway requirements in this country and has enjoyed this position for about 20 years. Plants are so located at Montreal, St. Thomas, Ont., Winnipeg and Calgary as to permit of rapid deliveries and excellent service to the railroads.

The principal source of the Company's income is from replacement orders for maintenance.

Assets The Canadian Appraisal Company certifies the depreciated replacement value of the fixed assets as at August 31, 1926, to be $725,604. Net quick assets, as shown by the pro forma consolidated balance sheet of the Company as at March 31, 1927, prepared by McDonald, Currie & Co., Chartered Accountants, are $715,717, making total net assets of $1,441,322.

Earnings Consolidated net earnings of the predecessor companies, after providing for depreciation, making adjustments for non-recurring salaries and expenses, and allowing for income taxes at the present rate, as certified by McDonald, Currie & Co., Chartered Accountants, have averaged for the 10-year period ended Dec. 31, 1926, $291,673 annually, equal to over 3 1/3 times preferred dividend requirements of $87,500. In no year of this period were the earnings less than 2 1/3 times these requirements.

After allowance for preferred dividends, the balance applicable to the issued common stock has averaged over $5.10 per share annually.

Net earnings for 1927 are estimated at an amount substantially in excess of the earnings for 1926.

Sinking Fund An annual sinking fund for the retirement of the preference stock, amounting to 10% of the net earnings of the Company after providing for depreciation, income tax and preferred dividends, will commence to accrue January 1, 1928.

Management The management will be in the hands of P. R. Diamond, who has been General Manager of the predecessor companies, and other executive officers who, with him, have been largely responsible for the successful operation of the companies in the past.

Directors

The following gentlemen, in addition to representatives of the bankers underwriting these securities, have consented to act as Directors:—

Sir Charles B. Gordon, G.B.E., Vice-President, Bank of Montreal, President, Dominion Textile Co.

Sir Herbert S. Holt, President, Royal Bank of Canada, Director, Canadian Pacific Railway

Albert E. Dyment, Esq., Chairman of the Board, Canadian General Electric Co., Director, Royal Bank of Canada

Ross H. McMaster, Esq., President, Steel Co. of Canada, Director, Canadian Pacific Railway

Ernest R. Decary, Esq., Director, Canadian National Railways, President, Title Guarantee & Trust Corp.

Stewart H. Jones, Esq., New York City

These shares are offered for sale when, as and if issued and received by us, and subject to the approval of all legal matters by Messrs. Brown, Montgomery and McMichael.

Price: $100 per share

Application will be made to list these shares on the Montreal Stock Exchange.

Greenshields & Co   Flood, Barnes & Co Limited

The statements contained in the above are not guaranteed, but are based upon information which we believe to be reliable and on which we acted in purchasing these securities.

DO YOU VALUE RELIABLE INFORMATION?

Over $9,500,000 in cash was paid as dividends by the gold and silver mines of Ontario last year.

DID YOU GET YOUR SHARE?

Two years ago we advised the purchase of Teck-Hughes at $1.35. Now the mine has entered the dividend paying stage and the stock is selling above $7.50.

At the present time, we strongly recommend a **LISTED** stock, representing a **WORKING** property and selling right now below **TEN CENTS**, which we certainly believe has a brilliant chance to make good.

If you are interested in mining, and would like to know what this stock is, and why we recommend it, write your name and address on a post card, and mail it to us.

This does not obligate you to us in any way. **On listed and unlisted securities our means of obtaining the most reliable information assures you of that protection which conservative investors appreciate.**

PRUDENTIAL SECURITIES CO.
411 METROPOLITAN BLDG. TORONTO
Phone Elgin 0179-0170

40,000 Shares

Canadian Bronze Company, Limited

No par value Common Stock

Price $40 per Share

Application will be made to list these shares on the Montreal Stock Exchange.

Orders having been received in excess of the amount of stock offered, this advertisement appears as a matter of record only.

Greenshields & Co   Flood, Barnes & Co Limited

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THE FINANCIAL POST

Member Audit Bureau of Circulations
President—JOHN BAYNE MACLEAN.
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Manager—GORDON RUTLEDGE.
Managing Editor—FLOYD S. CHALMERS.

A weekly newspaper, presenting in a popular manner, reliable information respecting investments, business and national affairs in Canada.

THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

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TORONTO, MAY 20, 1927

AN EXAMPLE IN RESEARCH

BRITAIN is very much alive to the value of scientific research in industrial development. For several years a Department of Scientific and Industrial Research has been maintained by the British government in co-operation with the industrialists of the country. The Empire Marketing Board has established a committee on research as one of its two component parts, the other phase of its work being represented by the committee on publicity.

Information as to the results achieved in the work of the department of scientific and industrial research of the British government has now been made available by the publication of a booklet telling something of the work accomplished since the organization was set up in 1918.

Up to March 31, 1926, the British government had contributed £570,000 to the research scheme and individual industries had put up £564,000 in addition to £265,000 subscribed by the cotton trades to a special research fund. The record of work done, as revealed by the booklet, reveals an amazing total of valuable benefit achieved and of successes that outnumber failures. Lord Balfour, who wrote the preface for the book, declares that those who take the long view in research and carry out the work with courage and enterprise and great resources are richly rewarded. "In the closer union of practical experience and scientific inquiry lie our best hopes for the material progress of mankind," he says.

Under the British research scheme, the work is chiefly carried on by associations of manufacturers in different industries. Twenty-six such associations have been formed. They include, for instance, boots and shoes, electrical, cotton, scientific instruments, and similar trades.

The British method of conducting research work offers a suggestion to Canadian manufacturers. It will be noted that the British manufacturer does not give only a moral or academic support to a work to be carried out by a government body with government funds. He joins hands with his competitors to do the work and puts up his own money to help back the work. Canadian industry should do the same.

No more forward step could be taken by members of the Canadian Manufacturers' Association, when they assemble at Calgary for their annual meeting, than to take the first steps to organize industrial research work in Canada along lines that will provide for definite financial co-operation by Canadian industry and for association of the different industries to oversee the work and give it practical application.

W. Ormsby-Gore, Parliamentary Secretary for the Colonies, recently gave an address in London on the work of the Empire Marketing Board. In discussing the research phase of its activities, he pointed out that research work was even more important than publicity. No amount of publicity would, in the long run, sell a bad article in preference to a good one, the prices being equal, or a dear article in preference to a cheaper one, the qualities being equal, and the success of Empire trade must depend ultimately on the production of the best possible goods at the best possible prices. This was the motive that underlay the board's research work. He indicated that, wherever possible, the board endeavored to make its grants conditional upon contributions being received from other private or public sources.

CA'CANNY IN CANADA

ONE of the significant passages in the Mackenzie report to the British government on industrial conditions in the United States and Canada was a statement to the effect that labor unions on this continent make no attempt to restrict the production of individual workers. Together with the fact that organized labor aims at the utmost efficiency of both management and labor, this was given as a reason for the high level of prosperity on the continent.

The question has been raised as to whether or not the Mackenzie commission was not deceived by whosoever gave them this information. The Commercial and Financial Chronicle of New York definitely charges that they were and states that organized labor does attempt to restrict the production of individual workers and does not seek to promote the efficiency of the individual workman.

In Canada, the genuine, earnest leaders among organized labor bodies take the most enlightened and advanced views on personal efficiency and the production of the individual workman. They know that high wages can only follow high production and that any restrictions upon the output of workers can only serve to keep wage levels down. But this opinion is not universally held among labor leaders and there is no doubt that some union leaders do foster the practice of regulating output in Canadian plants.

The tendency is in the right direction, there is no doubt, but Sir William Mackenzie and his associates went a little too far when they indicated that the millennium had been reached in this respect.

TAKE OFF THE BAN

SINCE taking in hand the work of administering Ontario's new liquor control system, Chairman D. B. Hanna, of the provincial liquor commission, has made it clear that he will not permit any advertising of liquors. Under the liquor law, the commission has authority to permit and control the advertising of liquors. This is a reasonable degree of authority to invest in such a commission. But the commission is not following sound business principles in refusing to permit the advertising of a commodity which can now be legally sold and consumed and which, apparently, the majority of people desire.

Canadian mails are now carrying the advertising messages of British distillers. One letter, received this week in Toronto, starts off in this fashion:

"We notice that under the act recently passed by your provincial government you can now obtain Blank's original dry gin from the government's store and drink it as a beverage. If you are one who drinks an appetizer in the form of a cocktail or when thirsty after the game, a John Collins, you know that good dry gin is absolutely essential as the foundation. May we suggest that the foundation be—" etc.

If Britishers and other foreign distillers are to be permitted to advertise their products simply by sending to prospects in Canada letters mailed in another country the unfairness of the anti-advertising provision of the commission policies will be made more apparent. We feel, however, that Mr. Hanna and his associates will not permit anything so distinctly discriminatory as the circulation of advertising literature from without the country. The commission have it in their power to prevent such publicity efforts by declining to carry supplies of liquor so advertised and thus forcing compliance with its views.

While such action would be advisable if the anti-publicity ukase is to be enforced, it would be better to change the policy now before the law is put into operation and to permit the advertising of liquors.

One of the unfortunate results of prohibition of advertising will be that old-established brands of liquor, known in pre-war days, will enjoy a healthy sale based upon the continuing power of the advertising they were given then, while newer brands will be given no opportunity to make themselves known. In this, Canadian firms would be the chief sufferers at the expense of British firms. Canadian firms would suffer in another way, for the British distillers and brewers would have some publicity in Canada through the distribution of magazines and publications from the Old Country; even Quebec distillers would gain from the advertising they do in Quebec papers that overflow into Ontario.

By changing its liquor law Ontario has removed the legal stigma from the liquor trade and it should remove this present unfair handicap.

MR. MAGRATH'S LETTER

HON. C. A. MAGRATH, chairman of the Ontario Hydro-Electric System, has created considerable discussion by his letter to the London Times (published as a series of three articles by that paper) on the need for greater fiscal unity in the empire.

Mr. Magrath was frank and outspoken, a quality which Canadians so often lack when discussing Imperial affairs. He did not hesitate to indicate that Canada's development as a strong unit in the British Empire was going to be influenced by Britain's economic policies. Britain would frankly have to provide for more tariff protection before it could give important preferences to Canada. Unless the fiscal policies of Great Britain and the Empire were built with Imperial ideas in view Canada might be pulled out of the Empire. Such is a free interpretation of Mr. Magrath's comments.

Mr. Magrath speaks a thought that has been in the mind of many Canadians. Empire preferences, much talked about, do not constitute to-day the great advantage to Canadian trade that many glib speakers and half informed writers would have us believe. Canada thinks that it can find a progressively improving economic future within the Empire but is anxious that fiscal relations of the different units of the Empire should be strengthened.

Men like Sir Alfred Mond, whose interests touch nearly every part of the Empire, set up Imperial free trade as the ideal. This is too far-reaching for most Canadians to grasp or accept. But they agree that Sir Alfred is on the right road in most of his speeches on the subject. Recently in London he pointed out that the Dominions take nearly half of Britain's total exports while Britain imports only less than a third of her requirements from the Dominions. He contended that if the Empire were organized as an economic unit that a large body of trade now done with foreign countries would be retained for the Empire.

TASTES DIFFER

TAXES on luxuries are only right and proper, but when such levies are raised to a point where the progress of a particular industry is retarded and the government loses revenue, something should be done to right the matter.

Take the case of cigarettes—a luxury in the opinion of some people, a necessity in the opinion of others. In 1918 a stamp duty of $3 was imposed, which was later increased to $6 and then again to $7.50. Reaction to the latter charge was almost immediate, not only in decreased consumption but also in a loss of revenue to the government. The $6 duty was reinstated and an improvement both in revenue and consumption took place.

Smokers cannot afford or will not pay the high prices asked for manufactured cigarettes. Now they are rolling their own. At present sales of cigarette tobacco in Canada amount to more than 3,000,000 pounds per annum. On three pounds of this tobacco, which is required to make 1,000 cigarettes, the government gets in total revenue $1.20. On the 1,000 cigarettes the government would get a revenue of $7.20 exclusive of sales tax.

Furthermore, the fact of the Canadian stamp duty being double the United States rate necessarily means that in the United States cigarettes of the same class and quality are very much cheaper than in Canada. This has resulted in an enormous increase in smuggling of American cigarettes, which is now estimated to be about 600,000,000 cigarettes a year on which the revenue to the government, if collected, would amount to $2,500,000.

Manufacturers are petitioning the Advisory Board on Tariff and Taxation for a reduction of the stamp duty from $6 to $3, or the same rate as in effect in the United States. If this is done, they claim that the smokers who now roll their own will again buy cigarettes and that smuggling will die out once the incentive is taken away. Thus the industry would benefit by greater production and the government by an increase in revenue.

WIND IT UP

ON JUNE 1 next, the annual meeting of the Saguenay Pulp and Power Company takes place. It is to be hoped that many of the shareholders will find time to attend the meeting, and that they will insist that quick action be taken to wind up the company.

It is now well over a year since the Quebec Pulp and Paper Mills acquired the assets of the Saguenay Pulp and Power, yet the latter company has maintained its existence, much to the annoyance of many of the shareholders, who feel that the assets, which consist only of shares in the Quebec Pulp and Paper Mills should have been distributed long ago.

The longer the Saguenay Pulp and Power remains in existence, the larger will be the cost of keeping it alive and the smaller will be the assets available for the shareholders.

Apparently it is the earnest wish of many of the holders of Saguenay Pulp and Power stock that the liquidation of the company be no longer delayed. The best way to obtain their objective is to attend the annual meeting and to force the management into faster action.

EDITORIAL NOTES

THE NEW English dictionary gives "put" 54 meanings. But will they all stay put?

* * *

IT WAS a shrewd judge of character who wrote as two successive headlines in the London Times: "Mr. Lloyd George" and "A Policy of Expediency."

* * *

SALVATION ARMY farm in England that trains London boys for farm work in Canada, whittles round pegs out of square pegs and does the job exceedingly well.

* * *

REFERRING to Toronto's ban on Sunday tennis, the Halifax Herald asks if tennis is any worse than golf. The Herald misses the point. The golf clubs are all in the outer darkness of Toronto's suburbs and therefore beyond the reach of civic by-laws.

* * *

BRITISH COLUMBIA is becoming more self-contained in investment matters. Recent issues of British Columbia securities sold almost entirely at home have been New Method Laundries, Pacific Coyle Navigation Company, Grouse Mountain Highway and Hotel Company, Dredging Contractors and B. C. Telephone. In addition, B. C. Electric Railway and Gosse Packing issues have been sold in good volume on the coast.

Trusts Provide Sound Investment for Every Type of Individual

Sixteenth Article of a Series on Investment Trusts and Their Place in Canada

By MACKENZIE WILLIAMS. Copyright, 1927.

Year by year, the business of investment is becoming more intricate, specialized and professionalized. In the early days of corporate methods, the opportunities afforded the private investor were few in number, and the range of securities was so small that little or no difficulty was presented in their selection.

Contrast those early days with the present. To-day, the sheets giving daily quotations of securities listed on the London Stock Exchange look like the weekly magazine section of a metropolitan daily. A list just to hand consists of twenty pages. So huge has the list become that the securities are grouped in different classes and give a grand total of close to six thousand. Each classification now contains so many issues that it resembles the complete daily list of the Toronto or Montreal Stock Exchange, though in each of these the number of listed and daily quoted securities is about 250.

Nearly 4,000 in New York

According to the last annual report of the New York Stock Exchange, the listed securities number 3,777. These consist of the following:

	Number	Market Value
Bonds	1,367	$35,509,211,458
Stocks	2,410	69,998,438,583
	3,777	$105,507,650,041

These figures, of course, relate to the securities listed on the New York Stock Exchange only, and do not include securities listed on such important boards as Chicago, Boston, Philadelphia, San Francisco, and numerous others of more than local importance.

Seven Billions of Securities

In Canada, the outstanding securities of corporations, regarding which annual reports are readily accessible, amount to about $7,000,000,000, and this does not include the securities of private companies, or even of public companies whose reports are not so readily accessible. The government and municipal securities outstanding in Canada are estimated at $4,225,000,000, not including all manner of district bonds, such as drainage districts, rural telephone district, hospital district, irrigation district and school district bonds in some provinces. Combined, all these classes of securities might easily bring the grand total of all outstanding Canadian securities from which the investor can make his selections to $12,000,000,000.

Multiply in Quarter Century

What is true of Great Britain, United States, and Canada, is also true of Continental Europe, Australia and New Zealand, Japan, South America, South Africa, etc. The numbers of eligible listed securities which may be considered as seasoned, have multiplied in the last twenty-five years in an extraordinary way. What has been said above relates to legitimate securities. The vast mass of patently fraudulent issues or offerings adds to the complication of sifting the wheat from the chaff.

It has been estimated that, all told, there are between 200,000 and 300,000 seasoned and marketable securities in the world markets. This, of course, is but a small fraction of the grand total, the majority of which are beyond consideration, either because of their unseasoned character, because of erratic records, or because of general adverse economic conditions which make them too speculative.

The enormous increase in the securities of all classes in all civilized countries, and the inquiry regarding these, has made it necessary for security dealers who would keep abreast of requirements and meet keen competition to take costly analytical services, establish foreign connections and foregin correspondents, install private wires to the leading markets, etc. As investors in Canada are no longer wholly provincial in their requirements, there is a considerable demand for investment information covering the whole range of the foreign, as well as the domestic field.

Serving Unsophisticated Layman

If the difficulties in the selection of sound and satisfactory investments make it necessary for the more up-to-date of those who specialize in investments to provide such facilities and services, it is easy to imagine the bewilderment of the uninitiated layman, or even the well informed and sophisticated business man who endeavors to build up, unaided, any sort of intelligently planned or satisfactory investment list and avoid the many pitfalls.

It is the function of the investment trust to select and acquire the best investments from world wide markets. This is facilitated, as we have previously seen, first, by the formulation of proper regulations as to the selection of investments; second, by the inclusion in the directorate of men who are widely recognized and generally conceded to have thorough-going working knowledge and experience of investments and economic conditions; third, by the adoption of operating principles and practises which experience has proven to be necessary to give the most profitable and satisfactory results. The securities of the properly run investment trust have behind them a scientifically diversified list of investments, consisting of bonds, debentures, debenture stock, preferred, ordinary or common stock, and representing important countries of the world. Further, they include the important government issues and industries of these countries, and aggregate hundreds of issues. Once investments are selected, it is the business of the directors, officers, and analytical staff to exercise constant supervision, so that the status of the whole of the investments will continue in an improving position. Those investments showing signs of deterioration are promptly eliminated and replaced by issues in which improvement is indicated.

6 Trust Stocks Certain to Grow

It is relatively easy for the well organized investment trust to find its way about in the fields of investment, and to make judicial, unbiased, and unprejudiced selections for its own purposes, this being one of the chief functions for which the organization is created. The outstanding ordinary or common stocks of a well run investment trust, on account of the character of the organization, more nearly approach securities which one can "put away and forget" with a practical certainty that they will grow in value, than any other single security available. Owing to the principles and practises followed, these securities are self-insured investments, from which the risk of loss has been well eliminated by insurance methods.

Owing to their character, the common or ordinary stocks of well run investment trusts where they become known, have a remarkably wide appeal to all types of investors, from the very wealthy, investing large amounts, to those with only a few dollars for investment. They are particularly suitable for, and appeal to:

(a) The business man;
(b) Corporations with surplus funds;
(c) Institutions with endowment funds;
(d) Estates;
(e) Those in receipt of, and endeavoring to conserve, insurance funds;
(f) Private investors, both large and small, including: 1. Women; 2. Children; 3. Professional men—clergymen, physicians, dentists, engineers, professors, teachers, etc., etc.

What Business Men Know

No one has a keener conception of the risks involved in business ventures, or of the kaleidoscopic nature of the changes which take place in short periods owing to the vicissitudes of business, than the business man, unless perhaps, it is the auditor or banker. A thoughtful business man who, on account of his intimate contact with numerous enterprises, might risk a large proportion of his total capital in a few directions, would be the first to appreciate the lack of experience and sound judgment on the part of his dependents. He would be the first to endeavor to place his dependents beyond the possibility of serious losses by providing investments which were of a self-insuring and growing character. It is because of this lack of appreciation on the part of many business men that there are so many disastrous experiences among their heirs.

For corporations or institutions which have available funds which will not be required for a considerable period, either directly or for affiliated enterprises, the common stocks of the investment trust constitute a most desirable form of growing investment.

Nothing is more pathetic than the revelation which comes so frequently on the examination of the shareholders lists of organizations which have had serious difficulties. It is usually found in such cases that from 25 per cent. to 50 per cent. of the shareholders consist of women or trustee stockholders on the account of minors. Usually the securities have come through estates, and lack of up-to-date information has made them retain the shares until too late. The common experience is that estates dwindle in value for the same reason.

Loss of Insurance Funds

Winslow Russell, vice-president of the Phoenix Mutual Life Insurance Company of Hartford, in an address before the American Bankers' Association, recently said, "Nearly a million dollars a day was paid out last year by life insurance companies of this country in lump sum payments to beneficiaries. Most of the beneficiaries were untrained in the safe handling of money. It is quite likely that a considerable part has already been misinvested." It has been estimated that the bulk of funds left in this way, year after year, is dissipated in three years' time.

Professional men and women, on account of absorption in their professions, and on account of the constant study involved in keeping abreast of the progress in their respective lines, seldom have the necessary time or indication to give investment matters serious thought. The whole of their endeavors to achieve independence in many cases come to naught through thoughtless investments.

The securities of the well run and ideal investment trust offer for all classes of investors an unexcelled investment medium. In effect, the holders of the trust securities have as intimate associates and councillors in making their investments, men of matured experience, outstanding in the business or financial world, whose opinions or ideas would be most highly prized and closely followed were they privileged to receive such council from these men personally by word of mouth.

That this type of security is adapt-

(Continued on page 11)

FOLKS and Finance

APPOINTMENT of W. J. Blake Wilson, of Vancouver, to the board of directorate of the Canadian Pacific Railway, marks the latest business laurels to fall to a man who has risen to Canadian trade leadership from an Ontario farm.

It is the second rail executive post he has been given in the last six months. In the fall of 1926 he was named, with two other Vancouver men, to direct the affairs of the Pacific Great Eastern, British Columbia's government line.

Now vice-president and director of P. Burns and Co., meat packers, Mr.

Wilson entered the wholesale meat trade in 1890 when he secured the contract to supply construction camps on the C.P.R. between Robson and Nelson, B.C. In 1903 he became associated with Pat Burns and the firm figured largely in railway supply contracts in Western Canada and the Northwestern United States.

Mr. Wilson also is president of the Coalmount Collieries, Coalmount, B.C., and P. Burns Collieries of Alberta.

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Powerful Economic Forces are working together to produce higher prices for investment securities.

In our May List we have briefly pointed out some of the chief influences.

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May List giving brief description of attractive investment securities, gladly sent on request.

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Your Investments

Investment questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published in this column. We cannot extend this service to non-subscribers. A two-cent stamp or stamped envelope must always be enclosed to cover the direct reply.

Traymore Preferred

Kindly give your opinion of Traymore, Limited, 7 per cent. cumulative sinking fund preference shares, recently offered by Gairdner & Co., with a bonus of one common with every $100 par value purchased.

Do you consider this offering compares favorably with that of Muirhead's, along somewhat similar lines, by Gairdner & Co. about a year ago?

The preferred stock of Traymore Cafeterias should be a satisfactory investment, assuming that the public continues to favor the cafeteria style of restaurant, and this is likely.

Automotive Credit

Kindly give us your opinion of the following: Automotive Credit Corporation, 6½%, 20 year gold bonds, due July 1, 1924, and stock of the Imperial Oil Ltd.

Automotive Credit Corp. is a company which finances time purchases on automobiles. They sold bonds bearing 6½ per cent. to the public rather than preferred stock. The corporate stock is held by the company's officers. The president and vice-president of the company are dealers and distributors of automobiles and through them the company gets a substantial portion of its business. They claim to be operating at a profit but have published no balance sheet. There is little information available on the actual finances of the company.

Imperial Oil is one of the soundest companies in Canada and investment in its stock is considered as a conservative and safe investment.

Davies A—Cosmos

I hold Davies A and Cosmos common. Any chance of Cosmos paying a dividend, say last quarter of year or first of next?

Davies A common is expected to improve its market position in the next few months because of a probable merger of the larger packing companies in the eastern part of Canada. At any rate, the situation does not appear any less hopeful now than it did a year ago.

The directors of Cosmos Imperial are conservative and it is possible a dividend will not be declared on the common stock before next year. On the other hand, it is known that the company is earning very well and there is reason to believe that the dividends cannot long be deferred.

National Grocers

One of our customers is anxious to obtain a report on the first preferred stock of National Grocers.

The first preferred stock of National Grocers Limited., should be a satisfactory investment over a term of years.

While the company is facing somewhat severe competition from the chain stores, it is in position to cater well to the wants of the independent grocers of Ontario.

It is safe to assume that there will always be independent grocers. It is generally considered that the company has come very well through its first year in view of the organization and other difficulties it had to face in that time.

Border Cities Realty

What is your opinion of Border Cities Company, Ltd., 7 per cent. first mortgage sinking fund gold bonds? Are these bonds such as can be recommended to our clients as a safe investment?

Border Cities Company seven per cent. first mortgage sinking fund bonds are rather a new departure for Canada, but the plan has been employed extensively by some of the leading cities in the United States. Its strong point is that it is based on sales already made and is the first lien on balances due, as well as on other property owned by the company.

The very promising industrial future of this section augurs well for the future of the bonds, and the improvement of transit between Windsor and Detroit will further add to the advantages of Windsor as a residential city and should help to appreciate value of the Border Cities Co. properties. These bonds are generally well regarded.

P. Burns—L. St. John

Please advise me if the last issue of P. Burns 7 per cent. preferred shares are a sound investment, also an issue of Lake St. John Power and Paper Co. 6½ per cent., due February, 1924, with two and one-half shares of common stock as a premium. Would like to know if it would be a good investment.

P. Burns seven per cent. preferred shares are a fairly sound investment. This company have been operating in Western Canada for a number of years and have established a wide market for their products. They have entered into the retail business and have established stores in Saskatchewan, Alberta and British Columbia, which have been profitable.

Lake St. John Power and Paper Co. is a new organization which has extensive timber holdings in the Lake St. John region in Northern Quebec. They started to work on their plant last fall and will probably be producing newsprint by the end of this year. Initial production will be around 220 tons a day, which has been contracted for a period of ten years. This contract also agrees to take all production over 220 tons, so that the company is in a good position for some time to come, so far as the marketing of their products is concerned. The management is sound and the company is well financed and their bonds are a good investment.

Various Common Stocks

I would like to avail myself of your service to investors and secure your views on a number of common stocks which in your opinion offer the best speculative investment at the present time.

While a stock not paying a dividend cannot very well be classed as an investment, yet what I really wished was good common stocks that have every expectation of appreciating in value during the next year or so, and which, through the satisfactory position of the companies from the viewpoint of assets and earnings, could be termed as investments whether paying dividends or not.

At the present time I am holding a limited amount of the following:

Laurentide Paper, St. Maurice preferred—St. Maurice common, Port Alfred common, Brompton common, National Breweries common, Bell Telephone, Canadian Industrial Alcohol, Steel of Canada common, Consolidated Gas of New York common, Brazilian Traction common, Imperial Oil, International Nickel, Beacon Oil.

It has occurred to me that, in view of Bell Telephone having decided to arrange for their future financing by an issue of an additional $30,000,000 of bonds that there will not be any rights to shareholders for some time and that as a result this stock is not likely to advance beyond its present level.

From comments I have seen in the press it has been predicted that Alcohol has already discounted its improved earning position and that this stock is not likely to advance for some time.

I would like to have your opinion as to whether, from any information you have, Consolidated Gas is likely to advance. I had thought of selling my Consolidated Gas, Alcohol, and Bell Telephone and purchasing common stocks with the specifications I have already enumerated. In this respect I had in mind the following common stocks: Laura Secord, Cosmos Imperial Mill, Page-Hersey, Canada Steamship, Canada Bakeries, Howard Smith, Alberta Pacific, McColl Bros., Barcelona, Arnold Brothers, Hunts Ltd., Atlantic Sugar, Goodyear Tire, Asbestos, International Petroleum, British-America Oil, Massey-Harris, Seagram, Hiram Walker, Gooderham and Worts, American Sales Book, F. N. Burt, and Hollinger, McIntyre and Noranda.

I would more than appreciate it if you would advise me in what order, in your opinion, you would rank the securities which I have mentioned, having in mind appreciation in value over a reasonable period and at the same time having regard to the earning power and assets that are behind these stocks. If you would care to make any other suggestions as to which you think constitute an attractive buy at present levels, I would be very glad to have these.

With regard to your present holdings we would say that the paper stocks have little chance for any real appreciation in the next year or two. Ultimately, in four or five years, they should all do well. However, considerably lower prices may at some time prevail temporarily.

National Breweries common is attractive for a business man.

Bell Telephone is a sound investment, as is Steel of Canada, Brazilian Traction, and Imperial Oil. International Nickel we anticipate will become one of the greatest of Canadian companies, as the stock at the present level should in the next two or three years appear in retrospect as ridiculously cheap. Beacon Oil is a promising company.

Your comments as to the future of Bell Telephone and Industrial Alcohol are correct in the main, although in the case of Bell Telephone there may be new rights before the end of the year. We hesitate to express an opinion of an investment of an American company for the reason that we are not in a position to study its merits.

We find it almost impossible to list the common stocks you mention in the order of merit, because of the varying conditions surrounding each. Of the three liquor stocks mentioned, Hiram Walker would be our first choice, Gooderham and Worts our second, and Seagrams our third.

In the mining list we think highly of both Hollinger and McIntyre; but would suggest that you buy Lake Shore, Wright-Hargraves or Teck-Hughes instead of Noranda. It must be remembered that Noranda is not as yet a producing mine. It is a reasonable precaution to select mines which are earning something, even if not enough to pay dividends at the moment. That is one of the primary requirements for industrial companies.

The industrial companies you mention are all excellent in our opinion, as investments for a business man. We believe that Atlantic Sugar and Goodyear Tire should be among the first of your purchases. The other stocks apparently are steady and rising gradually but there is no reason to anticipate any very rapid movement. The most speculative possibility is the stock of Arnold Bros., in view of the inevitable re-adjustments through which this company must go before the organization will be working smoothly as the result of the acquirement of 68 new stores.

Fraser First Mortgage 6's

The 6% First Mortgage Bonds of Fraser Companies, Limited, due January 1, 1950, afford an opportunity for sound investment in an old-established and growing business.

Balance Sheet at December 31, 1926, showed fixed assets (after substantial allowance for depreciation and depletion) and net working capital, totalling $17,400,000, against $6,000,000 of bonds. Earnings for the year, after depreciation and depletion, were $1,122,000, or more than 3 times annual interest on bonds now outstanding.

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When Women Invest

Speculation in Nickel Nets One $600, But Transaction is Nerve-Wracking Because She is Distrustful of Brokers.

A REGULAR FEATURE

It has been remarked in this column that women are apt to be somewhat too trustful when it comes to buying stock. Yet the writer encountered a charming young woman a few days ago who seemed to have carried suspicion somewhat farther than is necessary.

She took a $1,000 gilt-edge bond with her to a broker's office. She asked the young man what the commission was charged for buying International Nickel.

"Thirty cents the share," came the answer.

"I knew that the commission was fifteen cents a share," she explains, "and concluded that he was a crook. So I took my bond away and didn't buy Nickel at all at that time. I wish I had."

Probably Not Dishonest

This incident occurred before International Nickel became especially active. To give the young man the benefit of a reasonable doubt, he may not have recalled that Nickel at that time was subject to a special commission of fifteen cents the share, although all other stocks, with five exceptions, would be subject to the 30-cent rate if selling at $20 and under $150 on the Montreal exchange and at $10 and under $125 on the Toronto exchange.

International Nickel still is subject to the fifteen cent commission on the Toronto exchange if (which is improbable it sells below $50 the share. When it is selling higher than $50 the commission is 20 cents the share. The five other stocks which are subject to the special commission on the Toronto exchange are Imperial Oil, International Petroleum, Continental Oil, International Utilities Corp. Class B shares and Lago Petroleum.

Changes Her Broker

In another transaction which had nothing to do with the $1,000 bond (which is back in the young woman's safety-deposit box), she made $600 on International Nickel by a purchase on margin when the stock was selling in the late thirties. But she has changed her brokerage house again, but not because the broker advised her to sell within the last two or three weeks. On every side she is hearing that Nickel still is a good buy and she is ready to get into the market again as soon as (and if) the stock slips back a few points. She intends to carry the account on margin.

The reason she has left the broker through whose house she made $600 on Nickel was, so far as could be gathered by this reporter, because her own calculation of the account coincided exactly with that of the broker's. "Being a woman," she explains, "I had all the interest figured exactly, with the commissions and taking into account a dividend that was paid on the shares while being carried on margin. It just happened that the broker figured just as I did, but I didn't like them very well, so I changed."

"It just happens," that the house with which she was dealing bears a very good reputation, although it is not the largest in Canada. If it has a fault in dealing with its clients, it is that the principal trader, a partner, is constitutionally addicted to quick action. He advises buying and selling for market turns. He is successful, from the viewpoint of the clients as well as himself, but it is probable that the clients, in the long run, would be better off if they embarked on long-hold enterprises.

Have Bank Carry It

It was impossible to convince the young woman who has been a successful speculator in Nickel (and a moderate speculation is not unwarranted on her part in view of the fact that she is earning her living and has no one dependent on her, that her broker is honest, or that brokers in general are honest, or at least conduct their businesses with exactitude because in no other way can a profitable, permanent business, be built.

She is still mistrustful. And while she is, it is suggested that she buy stocks outright and have the bank carry them on a loan. This will bring each transaction clear of the brokers' office if she has the stock registered in her own name. If she accepts delivery in so-called "street certificates" to save transfer fees, she will be risking only the dividend, which would be paid to the broker in whose name the stock is made out, and she can check these payments by learning from the company or otherwise, when dividends are being paid.

Following is a list of official commissions charged on various values of stock bought and sold on the Montreal and Toronto exchanges and the Standard Mining exchange, Toronto:

Montreal Stock Exchange

On Shares Selling	Per Share
At $5 and under	5 cents
Over $5 and under $10	10 cents
At $10 and under $20	20 cents
At $20 and under $150	30 cents
Each $100 Bond or Debentures	30 cents
At $150 and under $200	40 cents
At $200 and over	50 cents
Dom. of Canada Loans	½ of 1 per cent.

The minimum commission charge on any transaction is $1.00, except upon stocks selling below $10.00 and upon orders in Dominion of Canada Loans aggregating $400 par value, when the minimum commission shall be 50c. Minimum commission on transactions in fractional shares is 25 cents. The par value of the stock does not change the commission charged.

A tax of 5 cents is charged the seller, 2 cents by the Quebec Government, and 3 cents by the Dominion Government, on the basis of $100 par value. No tax is charged on the sale of Victory Bonds.

Toronto Stock Exchange

On Shares Selling	Per Share
At $5 and under	6¼ cents
Over $5 and under $10	12½ cents
At $10 and under $125	30 cents
Each $100 Bond or Debenture	30 cents
At $125 and under $200	37½ cents
At $200 or over	50 cents

The minimum commission charge on any transaction is $1.00. The par value of the stock does not change the commission charged.

Special commission of 15 cents per share on Continental Oil, Imperial Oil, International Petroleum, International Nickel and International Utilities Corp. Class "B" Shares, and Lago Petroleum.

A tax of 6 cents is charged the seller, 3 cents by the Ontario Government, and 3 cents by the Dominion Government, on the basis of $100 par value. On shares of "no par value," the tax is based on the total selling value. No tax is charged on the sale of Victory Bonds.

Mining Shares

On shares sold under 5c per share		$1.50 per M
On shares sold at 5c and under 10c		3.00 per M
Ditto	at 10c and under 25c	5.00 per M
Ditto	at 25c and under 50c	7.50 per M
Ditto	at 50c and under 75c	10.00 per M
Ditto	at 75c & under $1.00	15.00 per M
Ditto	at 1.00 and under 2.00	2.00 per C
Ditto	at 2.00 and under 3.00	3.00 per C
Ditto	at 3.00 and under 4.00	4.00 per C
Ditto	at 4.00 and under 5.00	5.00 per C
Ditto	at 5.00 and under 10.00	7.50 per C
Ditto	at 10.00 & under 20.00	15.00 per C
Ditto	at 20.00 & under 30.00	20.00 per C
Ditto	at 30.00 & under 50.00	25.00 per C

On shares sold at $50.00 and upward, ½ of 1 per cent. on the amount of money involved.

TRUSTS PROVIDE SOUND INVESTMENT FOR EVERY TYPE OF INDIVIDUAL

(Continued from page 10)

ed to the small investor, as well as the large, is fully appreciated wherever the investment trust has been in operation for any reasonable period. In Great Britain, the majority of shares are either of the £1 or £5 denomination. In the United States, the common denominations are $5, $10, and $25. This brings them within the range of any investor.

The New York Times, in commenting on this situation recently said, "The rich man with his hundred thousand dollar surplus can spread it over a hundred stocks. The little fellow, with just $500, cannot indulge in the luxury of variety. But the investment trust actually enables the investor to diversify the laying out of a $10 bill."

POST-Scripts

THE debit for the most caustic editorial of the week is chalked up against the Manitoba Free Press, which ran this the other day:

Correction

"The article entitled "The Test of Men's Minds" appearing on this page yesterday was inadvertently credited to the Toronto Globe.

"This thoughtful and well-written explanation of how the liberal mind reacts to international developments, such as the war in China, appeared in fact in the Toronto Star.

"Articles of this character no longer appear in the Globe because its temper and outlook have changed. Its views are now typical of Toronto and therefore everything but liberal."

A TORONTO man tells of a Montreal friend who is employed in a semi-executive capacity with one of the power companies in the Shawinigan-Montreal Power group. The Montreal man was complaining that he never seemed to be able to pick the right stocks to buy, nor the right time to sell them. He was barely keeping even with the game. When he sold without a loss including brokerage, he considered himself lucky.

The Toronto friend was appealed to as a man versed in investments. The Toronto man told his friend there was something in the Montreal investment field, which was one of the most attractive investments in Canada. The Montreal man named nearly all the stocks on the Montreal list. But neither Shawinigan nor Montreal Power nor any of their affiliations occurred to him as offering the slightest possibility of bettering his investments.

He laughed when his Toronto friend suggested his buying some of these power stocks. But the Toronto friend persisted and eventually the Montreal man began to buy. He has found it very profitable. In the last two years he says, he has made more money than at any other period in his life. He has merely bought an interest in the companies which provide him with a living wage.

It is the old story of being so close to the picture that its merits cannot be discerned; the story of the insider who could not believe that the outsider was other than crazy in considering his stock an investment.

A MOVEMENT is afoot in Nova Scotia to establish the custom of flying the provincial flag. No alarm need be felt in other sections of the Dominion that this is a form of skillful secessionist propaganda. Nova Scotia has its flag and those resident within its borders are quite entitled to fly it.

The habit—universal in this country—of flying only the national emblem from private houses, peanut stands and hotels is one which finds little counterpart elsewhere — except in the United States. In the United Kingdom, cities, colleges and some of the older corporations all have their flags and fly them proudly.

The idea underlying a flag of any kind is simply the idea back of a trade mark. Flags are emblems used to distinguish the individuality of the owner or the user. On national occasions it is meet and proper for all to display the national ensign. At other times it is equally meet and proper for individuals and communities to display their own flags.

In the province of Quebec a queer anomaly exists. There the French Tricolor is often flown as a provincial flag. But French Canada has no connection with the Tricolor which is the flag of the Republique Francaise, whereas the inhabitants of Quebec have no connection with France after the Royalist regime. The old fleur-de-lys would make a better flag for Quebec.

But the province of Quebec, like Nova Scotia, also has a flag of her own. It is the device which appears on the provincial coat of arms, it consists of the fleur-de-lys, the lion and the maple leaf. It would prove more pleasing to the rest of the Dominion if Quebec would adopt its own flag instead of the flag of France.

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FACTORIES AT MONTREAL, TORONTO, OTTAWA WINNIPEG, WELLAND

HEAD OFFICE: MONTREAL

News of Investment Markets

Montreal Tramways Company

5% First and Refunding Mortgage Bonds
(Now First (Closed) Mortgage)
Due July 1, 1941

Principal and semi-annual interest (January 1 and July 1) payable in Montreal, New York, Chicago, or London, Eng. Coupon bonds in denominations of $500 and $1,000, registerable as to principal only.

The Montreal Tramways Company, operating under a very favourable franchise, owns and controls the street railway business of the City of Montreal. Due to the existing contract, the City is directly interested in the prosperity of the Company. The already wide margin of security behind these bonds is each year substantially increased as capital expenditures are financed through the medium of securities junior to this issue. Further particulars will be furnished upon request.

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New Company Takes Over Auto Lamp Firm

Canadian Motor Lamp Co., a new company, has acquired the Canadian Lamp & Stamping Co., Ford, Ont.

Balance sheet of the new company as at the time of taking over the old company shows total assets of $478,000, current assets of $235,887 and fixed assets of $240,986. Current liabilities were $20,438. The capital stock consists of 3,000 7 per cent. cumulative preference shares of $100 par value and 12,500 shares of common of no-par value. Of these 2,250 preferred and all the common, with a gross book value of $232,562 have been issued.

Directors of the company are Currier Lang, president and general manager; W. F. Anklam, president, C. M. Hall Lamp Co.; G. P. Doll, president, Thomas J. Corcoran Lamp Co., Cincinnati; J. B. Macon and Albert Matthews of Matthews & Co., Toronto.

Reorganization of Telfer Biscuit Delayed

Reorganization of Telfer Biscuit Co. again has been delayed. A new proposal placed before preferred shareholders has not been acted upon. A meeting held May 16th has been adjourned for two weeks.

The first proposal was that each preferred shareholders receive two shares of new no-par common for each share held, and that each common shareholder receive one share of new no-par common for each share held. Arrears of dividends amounting to 22 per cent. would have been cancelled under this plan.

It is understood that this plan was blocked by the attitude of one shareholder. Details of the new plan which was presented to the shareholders this week have not been divulged. Telfer Biscuit has about 150 shareholders.

Toronto House Issues Handy Book on Real Estate Bonds

Bonds secured by real estate have of recent years become very popular. Older than Babylon, the real estate mortgage has for centuries been a tried and proven medium of investment. Originally a security fairly easy of analysis, it has, with modern times, grown in complexity. To-day, with quickly changing city values and the advent of the huge office sky-scraper and the modern apartment building, it is not so easy to appraise it and yet, with the large amounts of capital involved in realty undertakings, making it necessary to split up mortgages into small pieces of $1,000, $500 and even $100, a wider and wider appeal is being made for the funds of the investing public. Moreover, the operation in the mortgage field of concerns with a moral sense not over-developed has added to the perplexity of the investor in choosing a safe real estate bond for the investment of his funds. The distribution, therefore, of a booklet called "Safety Tests For First Mortgage Real Estate Bonds," by McLeod, Young, Weir & Co., is timely.

This publication is written in concise and readable style, and deals with such points as land valuation, proportion of bond issue to property value, the proper ratio of capitalization to earnings, redemption features, and sinking fund requirements. Quite rightly it states that the investor's greatest safeguard is the record and reputation for fair dealing of the investment banking house which sponsors the bonds. The booklet is invaluable to the private investor who wants to pass intelligent judgment on real estate mortgage bond issues.

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MONTREAL POWER AND POWER CORP. TO ERECT PLANT

Bonds Sold on Hydro Project Located Near Montreal

From Our Own Correspondent.

MONTREAL. — The clash of the various power interests involved in the dispute surrounding the Carillon power project seems to have resulted in a stalemate, a stalemate which has apparently actuated the Montreal Light, Heat and Power to develop other sources to meet its increasing power requirements.

Thus the Nesbitt, Thomson interests and the Montreal Light, Heat and Power Consolidated have combined to develop a power site located within seven miles of the centre of the city of Montreal. The site is located on the Back River where a head of 26 feet is obtainable which will develop 65,000 continuous horsepower.

The Montreal Island Power Company has been formed to develop the site and the investment house of Nesbitt Thomson and Company is making an offering of $8,000,000, 5½ per cent. bonds carrying with them warrants for the purchase of common stock in the new company.

The Montreal Island Power has closed a contract with the Montreal Light, Heat and Power Consolidated, whereby the latter company will purchase the entire output of the plant for a period of thirty years, with provision for an extension of the contract for another thirty years. The power will be taken in specified annual instalments until the entire capacity is absorbed.

Preliminary work on the site, which has been owned by Nesbitt, Thomson interests, has been going forward for some time. The work of actual construction will begin immediately and the development will be carried out to an initial capacity of 40,000 h.p. which should be available by the end of 1929. The capacity of the plant will be increased at minimum cost to 65,000 h.p. as the power is required.

The Power Corporation of Canada has been given the contract for the engineering and for the designing of the plant. Both the Power Corporation and the Montreal Light Heat and Power Consolidated have large holdings of common stock in the new power company.

The particulars of the bond issue covering the new development follow:

$8,000,000 Montreal Island Power Co.
5½ per cent. first mortgage, thirty year, sinking fund, Series A bonds.
Dated May 1, 1927; due May 1, 1957.

Capitalization:

	Authorized	To be Issued
5½% 1st mort. bonds	$15,000,000	$8,000,000
6% Preferred stock..	1,000,000	1,000,000
Com. shares of no par value	75,000 shs.	75,000 shs.

Business: By 1929 will be producing 40,000 h.p. Plant will ultimately develop 65,000 h.p. Located seven miles from the centre of Montreal.

Market: The entire output of the plant will be purchased by the Montreal Light, Heat and Power Consolidated. Power will be absorbed in specified blocks until the entire capacity of the plant is purchased.

Security: A first mortgage on the entire assets; the contract for the sale of the power will be deposited with the trustee. Further bonds in excess of $10,000,000 may be issued only to the extent of 75 per cent. of the cost of extensions to the plant.

Earnings: The power contract will bring in revenues equal to over twice the annual interest requirements of this issue.

Sinking Fund: Will retire one third of the issue by maturity.

Management: To be operated by the Montreal Light, and Heat and Power Consolidated.

Stock Purchase Warrants: The share warrants accompanying the bonds entitle the holder of each $1,000 bond to purchase common shares in the company at $40 per share on or before May 1, 1929. The warrants, without the bonds, will be non-negotiable until May, 1928.

Offered: May 1927 at par by Nesbitt, Thomson and Company. Carrying share warrants for two shares per $1000 bond.

B.C. Telephone Preferred Stock Quickly Oversubscribed

Within a few hours after the books had been opened, all of the $4,500,000 6 per cent. cumulative preferred shares of the British Columbia Telephone Co., offered by a Vancouver syndicate, at a price of 100 and accrued dividend, had been sold. While exact details in regard to the allocation of the stock is not available, it is understood that approximately $2,000,000 worth of the new shares have been taken up by old shareholders.

This additional financing, now brings capitalization of the British Columbia Telephone Co. up to $12,094,292, of which $2,094,292 represents 4½ per cent. first mortgages, $4,500,000 ordinary stock and the balance cumulative preferred stock.

Dividends Declared

Company	Rate	Date	Record
Bank of Commerce	3%	June 1	May 16
Bank of Toronto	3%	June 1	May 14
Bk. of Montreal	3%	June 1	Apr. 30
Banque Can. Nat.	2½%	June 1	May 15
Royal Bank	3q	June 1	Apr. 30
Provincial Bank	2¼%	June 1	May 15
Barcelona Tr. com.	1%	June 30	
C. P. R.	2½%	June 30	June 1
Bri. Col. Fish	$1.25	June 10	May 31
Do., pref.	1¾%	June 10	May 31
Brazilian	1½%	June 1	Apr. 30
Belding Cort. pref.	1¾%	June 15	May 31
East. Koot. Pow. p.	1¾%	June 15	May 31
Famous Players, pref.	$2	June 1	Apr. 30
Can. Westinghouse	30%	June 20	May 20
McIntyre Porc.	5%	June 1	May 2
Page Hersey	75c.	July 1	June 18
Do., pref.	1¾%	July 1	June 18
Wayagamack	75c.	June 1	May 16
Crow's Nest Coal	1½%	June 1	May 10
Tuckett Tob., com.	1%	July 15	June 30
Do., pref.	1¾%	July 15	June 30
Imperial Oil	25+12½c.	June 1	May 14
Loblaw, com.	25c.	June 1	May 18
Do., pref .	1¾%	June 1	May 18
Jamaica Pub. Ser. pfd.	$1.75	July 2	June 15
Can. Foundries pfd	2x	June 1	May 18
Lake of Woods, com.	3%	June 1	May 21
Do., pref.	1¾%	June 1	May 21
Ford Motor	15%	May 28	May 21
Cosgrave Brew.	1¼%	June 1	May 31
English Elec. pref.	x4%	May 31	May 20
Inter. Mill. pref.	1¾%	June 1	May 21
Imp. Royalties	1½%	May 31	May 25

BOND REDEMPTION

	Rate	Due	Redeem.	Amount
Prov. of Que.	5½%	1936	June 1	$4,000,000

xOn arrears.

Quebec Dairies Issue Sold at Par Plus Bonus

From Our Own Correspondent.

MONTREAL—The investment houses of Williamson, Plow, Limited, Hale & Company, and R. G. Hoerner & Company are offering $150,000 preference stock of the Quebec Dairies, Limited.

Quebec Dairies has been organized to acquire and hold the securities of, and to manage dairies in Canada. The company proposes to develop in particular the dairy industry in all its branches in the province of Quebec. It has acquired all the capital stock of the Mount Royal Creameries, Limited, the purchase price being composed of securities ranking junior to the present issue of preference shares.

The particulars of the issue follow:

$150,000 Quebec Dairies, Limited.
7 per cent., first cumulative, redeemable, sinking fund, preference shares.

Capitalization:

	Authorized	Issued
7% 1st cum. pfd. $100 p. val.	$250,000	$150,000
7% 2nd n-cum. pfd. $100 p. val.	250,000	115,700
Com. shs. no par val.	15,000 shs.	10,000 shs.

Business—Has acquired all the capital stock of the Mount Royal Creameries and has been organized to hold the securities of and to manage dairies.

Purpose of Issue—The proceeds from the sale of the preference stock will be used to acquire further cream and butter collection plants in the province of Quebec and to provide capital for carrying on and expanding the business.

Sinking Fund—Commences 1929 and consists of 10 per cent. of the net profits after provision for preferred dividends.

Earnings—With the expansion now in view, earnings are estimated between $30,000 and $40,000 per annum. In the past four years, the company's sales have shown large annual increases.

Equity—The value of the assets behind the first preference shares, exclusive of goodwill, amounts to $216 per share.

Properties—Three plants are operated—one in Montreal, and two collection plants in the province.

Offered—May, 1927, at par, plus a bonus of five shares of common stock of no par value with each ten shares of preferred by Williamson Plow, Limited, Hale and, Company, and R. G. Hoerner and Company.

Vancouver Syndicate Handles Dredging Contractors' Bonds

An offering of $500,000, 6½ per cent. first mortgage bonds of the Dredging Contractors, Ltd., is being made this week by a syndicate of Vancouver bond houses as follows: R. P. Clark & Co., Royal Financial Corpn. Ltd., McDonald, Jukes & Graves, and British Columbia Bond Corpn. Ltd.

Proceeds of this issue will go to pay the Dredging Contractors, Ltd., for their work in connection with the construction of the New Georgia Hotel, recently completed, at a cost of $2,000,000, including furnishings. The hotel is a twelve-story structure, centrally located, containing 320 guest rooms.

Particulars of the issue follow:

Dredging Contractors, Ltd.
6½% First Mortgage Bonds
(Closed Issue)
Dated May 1, 1927. Due, May 1, 1947.

Business—General contractors. Have handled important contracts for mining companies, Sumas Reclamation work, built Georgia Hotel and also engage in operation on the St. Lawrence River. Head office, Vancouver.

Security—Direct obligation of company and guaranteed as to principal and interest, subject to certain conditions, by the Puget Sound Bridge and Dredging Co., and are further secured by deposit with trustee of 5,000 shares (par value $500,000) 7 per cent. preferred stock of Georgia Hotel. In addition there has been transferred to trustee as specific security, approximately 26.49 acres waterfront property centrally located in the City of Seattle.

Earnings—It is estimated that earnings of Georgia Hotel will be $211,400 a year, or $123,650 after payment of interest on outstanding bonds.

Sinking Fund—Provides for semi-annual payment of an amount sufficient to retire issue at maturity.

Convertible Feature—Convertible at option of holder on any interest date par for par, into 7 per cent. participating preferred shares of the Georgia Hotel Co.

Offered—R. P. Clark and Co., Royal Financial Corp., McDonald, Jukes and Graves, and British Columbia Bond Corp., all of Vancouver, at a price of 98½ and accrued interest to yield 6.62 per cent.

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UNITED SECURITIES SELLS BOND ISSUE

New Collateral Trust Bonds Offered at Par—Yields 5½ Per Cent.

From Our Own Correspondent.

MONTREAL—Aldred & Co. with Wood, Gundy & Co., and syndicate, are offering $3,600,000, 5½ per cent., collateral trust, sinking fund bonds of the United Securities, Limited. Due to the somewhat complex relations which exist between this holding company and its subsidiaries, the collateral behind the issue seems, at first, somewhat involved.

The principal assets of the United Securities, Ltd., consist of holdings of the securities of its two subsidiaries, the Canadian Light and Power Co. and the Consolidated Securities, Ltd. It holds also an agreement for the sale of the Quebec-New England Hydro-Electric Corporation to the Montreal Light, Heat and Power Consolidated, whereby Montreal Power purchases all the United Securities' holdings of common shares of the Quebec-New England Corporation by the payment of $400,000 annually over a period of 30 years.

Specific collateral behind the issue of United Securities bonds consists of $3,800,000 Consolidated Securities collateral bonds and practically all the common stock of this subsidiary; in addition, there is included as collateral, $800,000 of first mortgage bonds of the Canadian Light and Power, together with about 55 per cent. of the common stock of this company.

The Consolidated Securities collateral bond issue in turn is secured by over 52 per cent. of the shares of the Montreal Tramways Company, which have a market value in excess of $4,750,000. Thus it will be seen that there is ample collateral behind the bonds of the United Securities.

Particulars of the issue follow:

$3,600,000 United Securities, Limited
Five and one-half per cent., collateral trust, sinking fund bonds, Series A. Dated May 1, 1927, due May 1, 1952.

Capitalization:

	Authorized	Issued
Common stock (par value $100)	$14,000,000	$5,126,200
6% cum. pref. stock..	6,000,000	5,125,400
Collateral trust bonds..	20,000,000	3,600,000 (Series "A")

Assets: The United Securities owns some 55 per cent. of the shares of the Canadian Light and Power Co. and $1,302,000 of that company's first mortgage bonds. It has an agreement with the Montreal Light, Heat and Power for the purchase of its holdings of the shares of the Quebec-New England Hydro-Electric Corporation for a price amounting to $400,000 annually for a period of 30 years from 1924. The United Securities owns practically all the stock of the Consolidated Securities, Ltd., which in turn owns 52 per cent. of the shares of the Montreal Tramways.

Security: Bonds and shares of the subsidiary companies have been deposited as collateral against the present issue.

Earnings: The annual net income of the company before provision for income tax will amount to about 2.7 times the bond interest requirements.

Covenants: The trust deed covering the issue provides that the company shall at all times maintain stock control of the Montreal Tramways Co.

Sinking fund: Commences May 1, 1928, and consists of $40,000 annually, plus the interests on all bonds redeemed.

Purpose: The funds will be used to refund bank loans and for other corporate purposes.

Offered: at par May, 1927, by Aldred Co. and Wood, Gundy and Co.

Hayes Wheel Certificates

Hayes Wheel & Forgings, Ltd., interim certificates, now can be obtained through the clearing house department of the Toronto Stock Exchange.

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ANOTHER ANNUAL BROOKS MOTORS MEETING CALLED

Present Management Tacitly Concedes Contention of F. W. Wegenast

Shareholders in Brooks Steam Motors have received notice of a meeting in Stratford, Ont., May 27th, which is called "the annual general and special meeting of shareholders.....to receive and consider the annual statement of accounts and balance sheet, and the reports of the directors and auditors thereon; to elect directors, and to transact the other ordinary business of the company."

This official notice, signed by George W. Radike, secretary-treasurer, thus is an admission on the part of the existing management of the company that the meeting held at Stratford April 29th, was not the regular annual meeting of shareholders and that the protesting shareholders' committee is right in declaring that directors were not elected, acts of directors were not approved and auditors' report was not accepted.

To Vote on Contract

Other business which will come before this meeting includes action on an agreement between Brooks Steam Motors, Ltd., and Eureka Engineering Co., a Delaware corporation, and two resolutions of the board of directors allotting to Brooks Securities, Ltd., and Banking Service Corp., Ltd., blocks of the preferred shares of Brooks Steam Motors at a discount of their par value. Brooks Securities and Banking Service Corp. are the two stock-selling organizations operated by O. J. Brooks.

In the circular letter signed by O. J. Brooks which accompanies the notice of annual meeting and the proxies in blank, it is asserted that "the latest improved eight-cylinder bus is nearly completed; the bodies are being built by the Buffalo Body Co., at Buffalo." It is added that D. McCall White, assistant to the president, is giving this job "his special attention and advises that same should be on the road within sixty days. The engineering and development department have been working hard on this job for the past fifteen months. They deserve a great deal of credit for what has been accomplished in such short space of time."

Four More Cylinders

A motor bus of eight cylinders will be news to the shareholders. When several hundred of them inspected the factory at Stratford on April 29th, they saw a four-cylinder engine on an experimental chassis which the new factory superintendent drove forward and back several rods. There was much to do over the fact that it was a four-cylinder bus. Nothing was said about the eight-cylinder bus on which, according to this latest circular, engineers had been working for not less than fourteen months and which now must be virtually as near the testing point as the four-cylinder bus about which Mr. Brooks has been boasting for six months.

The latest circular going forward to shareholders declares that the "real nature and cause of the trouble" in the company is the fact that several persons are holders of extremely small blocks of shares in the company. The inference is that "discharged employees" are at the root of the dissatisfaction.

Contradictory Propaganda

In the same envelope with the notice of annual meeting of Brooks Steam Motors is a reprint of an article from the Toronto Telegram of May 13th, which tells of Walter T. Milliken (a Brooks stock salesman) and William H. Fulton, obtaining an injunction from Justice Middleton, restraining the shareholders' committee from holding a shareholders' meeting in the King Edward Hotel, Toronto, on May 13th. The meeting had been advertised as the meeting adjourned from Stratford.

Shareholders gathered and conferred, but Mr. Wegenast was careful to state the meeting could not be called an adjourned meeting of the company. As at the previous meeting, there were Brooks employees scattered about the room who attempted to dominate. Resolutions were passed directing the committee to proceed with the effort to oust O. J. Brooks from control of the company.

Should Not Ratify Tentative Plan for Buffalo Brooks

The legal agreement which shareholders in Brooks Steam Motors are asked to ratify at the Stratford meeting is the belated revelation of the relations proposed between Brooks Steam Motors and O. J. Brooks's Buffalo company.

Brooks Steam Motors grants to Eureka Engineering Co., (a new Brooks company incorporated in Delaware), the United States rights to any and all patents developed by Brooks Steam Motors in the last five years.

Brooks Steam Motors gets no cash for this.

Brooks Steam Motors gets no stock interest in the American company.

All that Brooks Steam Motors gets is the promise that Brooks Steam Motors will get from the American company the benefit in the Canadian field of any further improvements on the steam car or bus that may be effected by the engineering corps to be maintained by the Buffalo company for four years.

Unfair to Canadians

This arrangement is manifestly unfair to the shareholders of Brooks Steam Motors.

If the Canadian company has anything of value, it is the patents. Mr. Brooks has been boasting of the value of the developments in the Stratford factory and laboratory.

If there is any value to these developments, the actual cash value depends largely on the size of the market in which the machines or devices can be marketed.

The United States market is at least twelve times the size of the Canadian market. If the patents are of value, they must be twelve times as valuable in the United States as in Canada. Thus Mr. Brooks proposes to give to the American company, something which is potentially twelve times as valuable as anything which the American company can give the Canadian company.

Should Not Ratify.

Moreover, whatever the Canadian company is giving the American company is a fact, something accomplished, while the payment therefor is merely a promise that does not have to be fulfilled, or perhaps cannot be fulfilled. The company could carry on "with an efficient and competent" etc. staff of engineers and yet make no discovery of advantage to manufacturers of steam cars.

Brooks steam Motor shareholders obviously will be well-advised to withhold ratification of any agreement with an American company which does not bring to the Canadian company a reasonable share of whatever profit may accrue to the American company from the three or four years of development work carried on at such great expense at Stratford.

Tenders and By-laws

May 30, Prince Rupert—$85,797, five per cent., 10-year serial bonds. D. J. Matheson, city treas. (See announcement on page 16).

May 31, Royal Bank—7,000 shares new stock par value $100 each. General manager. (See announcement on page 16).

June 5, Parish of St. Benoit, P.Q.—$13,400, five per cent., serial bonds. A. Senay, sec.-treas.

Unlisted Bonds

	Bid	Asked
Abitibi Fibre 6s, 1947	98½	99¼
Abitibi P. & P. 6s, 1940	104	105¼
Algoma Steel 5s, 1962	29¼	30½
Alberta Pac. Grain 6s, 1946	98	98½
Bell Telephone 5s, 1955	102⅛	102⅜
Belgo. Can. Paper 6s, 1943	102	102⅝
Brandram-Henderson 6s, 1936	96¾	98½
B. C. Pulp & Paper 6s, 1950	88	92
Brompton P. & P. 6s, 1946	99⅝	100
Burns P. & Co. 6½s, 1943	103¼	104¼
Calgary Brewery 5s, 1942	89⅛	90½
Calgary Power 5s, 1940	92¾	93¾
Canada Lt. & Pr. 5s, 1949	93½	94½
Can. Nor. Power 6½s, 1941	101¾	102½
Canada Paperboard 7s, 1937	98½	100
Can. Steamships 5s, 1943	99	99⅞
Can. Steamships 6s, 1941	98⅜	98⅞
Can. Steel Fndry, 6s, 1936	104⅝	105¾
Davies, Wm., 6s, 1942	93½	94¼
Dominion Iron 5s, 1939	29	31½
Dominion Pr. and Tr. 5s, 1932	97⅝	98⅜
Drummond Invest. 6½s, 1938	99¼	100¼
Duke Price Pr. 6s, 1966	104¾	105⅛
East Kootenay Pr. 7s, 1942	103½	104½
Elec. Development 5s, 1933	100⅛	100⅝
Famous Players 6½s, 1943	99	100¼
Fraser Co. 6s, 1950	98½	99
Gatineau Power 5s, 1956	97⅜	97¾
Gatineau Power 6s, 1941	101⅝	102
Howard Smith P. & P. 6s, 1941	104	104⅝
International Paper 6s, 1941	98⅛	98¾
King Edward Hotel 7s, 1944	92	94½
Lake Superior P. & P. 6s, 1941	106½	108
Laurentian Pr. 6s, 1936	103¼	104½
Laurentide Pr. 5½s, 1946	101½	102½
Maple Leaf Mfg. 6½s, 1943	103½	104½
Maritime Tel. & Tel. 6s, 1941	104	105
Manitoba Pr. 5½s, 1951	99¼	99¾
Mercury Mills 6½s, 1942	100¾	101¾
Mont. L. H. & Pr. 5s, 1951	100⅝	101⅝
Mont. Pub. Service 5s, 1942	99	99⅝
Nor. Can. Pr. 6s, 1945	101½	102½
Nor. Ont. L. & P. 6s, 1946	101	101⅝
Nor. West Utilities 7s, 1938	99¼	99⅞
Nova Scotia Steel 5s, 1959	68½	72
Nova Scotia 6% Debs.	35	38½
Nova Scotia Tram. 5s, 1946	92¼	93½
Nova Scotia Tram. 7s, 1952	99½	100½
Ont. Pulp & Paper 6s, 1931	109½	111
Ottawa Hull Pr. 6s, 1948	103½	104½
Ottawa L. H. & Pr. 6s, 1953	104	105
Ottawa Mont. Pr. 6½s, 1949	101½	102¾
Ottawa Trac. 5½s, 1953	101½	102
Ottawa River Pr. 6½s, 1953	102⅛	102¾
Port Alfred P. & P. 6½s, 1943	101¾	102½
Price Bros. 6s, 1943	103⅞	104⅜
Prov. Lt. Pr. 5s, 1946	100½	101½
Quebec Pr. 6s, 1953	107	107¾
Rio Tramway 5s, 1935	95½	96⅛
Sao Paulo Tram. 5s, 1929	98	98½
St. Lawrence Paper, 6s, 1946	97¼	98¼
St. Maurice Pr. 6½s, 1953	108	108½
St. Maurice Valley 6s, 1945	99	100
Shawinigan W. & P. 6s, 1950	104¾	106
Simpson's, Ltd., 6½s, 1945	103¼	104
Southern Can. Pr. 5s, 1955	98⅝	98⅜
Spanish River P. & P. 8s, 1941	106¾	107½
West Kootenay Pr. 6s, 1943	103½	105
West. Pr. of Can. 5s, 1949	97⅛	98¼

N. B. Farmers Benefit

MONTREAL.—The agricultural situation in the province of New Brunswick has been materially helped by the floods in the southern United States. The Mississippi floods have caused a decided decrease in the total stocks of potatoes; the extra demand thus created has increased the demand for New Brunswick potatoes with the result that many farmers of that province have been able to sell out their stocks at prices which return very satisfactory profits.

BUFFALO QUOTATIONS

Bonds	Bid	Asked
Bfo-Ft. Erie Bdge 7s '55	107½	108¾
Do., 8s '45	106½	108
Buff Gen Elec 1st 5s '39	104	...
Do., pref. 5s '39	104	...
Bfo N & E Pow 5s '30	100	101
Lockport L H & P 5½ '54	102½	...
N. F. 1st & com. 6s 1950	105	106
STOCKS		
Niagara Falls Pw. pf.	28¼	29¼
Niag. Lock & Ont. pf.	113¾	115

The Bank of Nova Scotia

Dividend No. 230

Notice is hereby given that a Dividend of four per cent. on the paid-up Capital Stock of this Bank has been declared for the current quarter to shareholders of record of June 15th, 1927, and that the same will be payable on and after Saturday, the second day of July next, at any of the offices of the Bank in Canada.

By order of the Board.

J. A. McLEOD,
General Manager.

Halifax, N.S., May 17th, 1927.

Safety tests for real estate bonds

Our new publication, "Safety Tests for First Mortgage Real Estate Bonds," tells you clearly and concisely how to judge when such bonds are sound. It is an invaluable aid in making selections from this desirable and time-tried class of security.

A copy will be mailed on request. Write today for yours.

McLEOD, YOUNG, WEIR & CO.
Limited
Investment Bankers
Metropolitan Building
Toronto 2

This Week's Bond Sales

STAMFORD TOWNSHIP ISSUE

At a special meeting of Stamford Township Council a block amounting to $15,000 20-year 5 per cent. Hydro debentures were sold to Dyment, Anderson & Co., at a price of 100.04. The bids were:

Fry, Mills, Spence & Co.	99.63
Bell, Gouinlock & Co.	99.50
McLeod, Young, Weir & Co.	99.38
C. H. Burgess & Co.	99.37

WEST VANCOUVER DEBENTURES

An issue of $60,000 West Vancouver debentures has been sold to Waghorn, Gwynn & Co., at 99.015. The bids were:

V. W. Odlum & Co.	97.37
R. P. Clark & Co.	98.27
Gillespie, Hart & Tod	98.36
Royal Financial Corp.	98.626
Canadian Financiers Trust	98.87
Pemberton & Son	98.72
Waghorn, Gwynn & Co., Ltd.	99.015

CITY OF HAMILTON

An issue of $557,100 City of Hamilton 4½ and 5 per cent. 10, 20 and 30-year debentures has been awarded to A. E. Ames & Co., at 101.43, to yield 4.78 per cent. The bids were:

A. E. Ames & Co.	101.43
Dyment, Anderson & Co., and Bell, Gouinlock & Co.	100.819
Wood, Gundy & Co.	100.81
R. A. Daly & Co., Royal Securities Corp. and Hanson Bros.	100.773
Fry, Mills, Spence & Co.	100.678
Dominion Bank	100.59
Dominion Securities Corp.	100.537
Matthews & Co., and McLeod, Young, Weir & Co.	100.398
Bank of Toronto, and Brouse Mitchell & Co.	100.04

The Canadian Fish Net Co., Ltd., whose president is N. M. Paterson, of the Paterson Elevator Co., will start operating its plant within a few days in Fort William. This will be the Dominion's first fish net plant.

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Hamilton Dairies
LIMITED

Preferred Stock Dividend No. 3

Notice is hereby given that a dividend for the current quarter at the rate of seven per cent. (7%) per annum will be paid by cheque on or after June 1st, 1927, to preferred shareholders of record at the close of business on the 20th day of May, 1927.

HAMILTON DAIRIES
LIMITED

Security and Profit

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Wm. Brown, Vice-President and Managing Director.
WINDSOR: Imperial Bank Bldg.
TORONTO: 297 Bay St.
21

UNLISTED SECURITIES

	Bid	Asked
Brooks Motor, 1 pref. & 1 com.	.	4
Do., 1 pref. and 2 com.	3	5¾
Can. Machinery, com.	5	7
Can. Westinghouse, com.	195	..
Chase, A. W., com.	6	10
Do., pref.	70	80
Goodyear Tire, 6% pref.	99	101
Gunns, Ltd., pref. (new)	102	..
King Edward Hotel, Deb. A.	78¾	80
Farmers Dairy, com.	70	80
King Edward Hotel, Deb. B.	70½	72
Loew's Buffalo, pref.	38	43
Nat. Grocers, 1st pref.	94	98
Nat. Grocers, com.	1	4
Continental Life, 20% paid	45	55
Crown Life	190	..
Empire Life	30	33
Excelsior Life, 20% paid	76	85
Great West Life	425	450
Monarch Life, 10% paid	39	42
Mortgage Discount, pref.	6	6½
Ontario Equitable	27	30
Security Life, 40% paid	..	28
Sun Life, 75% paid	1000	1100
Toronto Finance, pref.	3½	4½
Canada Life	900	925
Capital Life, 20% paid	23	..
Farmers Dairy, pref.	103	107
Dom. Combing Units	15	25
Dom. Sewer Pipe	53	56
Fanny Farmer, com.	27	29
Do. pref.	29	31

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BOND MOVEMENTS OF THE WEEK

Week Ending May 17

Bonds—	Int. Rate	Due	Yield	Range, 1926 High	Range, 1926 Low	Range, 1927 High	Range, 1927 Low	Ask	Bid	Latest Price High	Latest Price Low
Asbestos Gen. Mtge.	6	1956	6.50	83¾	81	94⅛	88	93½	93	93½	93
Do., 1st mtge.	6	1941	5.81	..	..	102	96¼	101¾	101½	101¾	..
Canada Bread	6	1941	5.47	106	104	105¼	105	106	105	105¼	..
Can. Canners	6	1950	5.98	100	94	100¼	96½	100	99½	100¼	99½
Can. Forgings	6	1942	6.25	..	..	97½	97	97½	..	97½	97
Cedar Rapids	5	1953	5.00	101½	98⅛	101	99	..	100	100	..
Mexican Electric	5	1942	8.98	62	52	66½	60⅝	..	64	66½	65
Mexican Power	5	1940	8.60	71	67	71	68⅝	..	69	71	..
Montreal Tram.	5	1941	5.01	98½	93	99⅞	98¾	99½	98⅞	99⅞	99¼
Montreal Tram. "A"	5	1955	5.21	95	92½	97¾	94¼	96½	96⅜	96¾	96⅜
N. S. Steel	5	1959	7.50	70	50	70	69	69½	..	69½	..
Montreal Power	5	1933	4.87	99½	99½	100⅞	97½	..	..	100¾	..
Ogilvie "A"	6	1932	5.16	104½	103½	104¼	104¼	..	104⅛	104¼	..
Quebec Rly.	5	1939	5.03	100	91⅞	99¾	96	..	99¼	99¾	99
Wayagamack	6	1951	6.07	100⅝	90	100	97	98	..	99	98¾
War Loan	5	1931	4.66	100.40	100.35	101.85	101.00	101.50	101.30	101.60	101.45
Do.	5	1937	4.53	104.95	102.75	103.65	102.95	103.60	103.35	103.65	103.45
Victory Loan	5½	1927	4.55	102.50	100.15	101.00	100.25	100.60	100.45	100.45	100.25
Do.	5½	1933	4.63	106.35	103.20	105.20	103.90	105.05	104.80	105.20	104.85
Do.	5½	1934	4.85	104.40	102.65	104.10	103.00	104.15	104.00	103.95	103.00
Do.	5½	1937	4.53	109.30	106.70	108.20	106.90	108.05	107.80	108.20	107.85
Do., Renewal	5½	1927	4.55	101.95	100.00	100.80	100.15	100.60	100.40	100.40	100.15
Do., Renewal	5½	1932	4.87	103.90	102.00	103.55	102.45	103.35	103.10	103.15	102.90
Do., Refund.	5	1928	4.60	101.35	99.00	101.45	100.00	100.40	100.35	100.25	100.05
Do., Refund.	4½	1940	4.50	96.95	95.60	100.00	96.60	100.00	99.75	100.00	99.80
Do., Refund.	5	1943	4.67	102.80	101.10	103.85	102.30	103.80	103.55	103.80	103.55
Do., Refund.	4½	1944	4.50	97.15	95.70	100.10	98.05	100.00	99.75	100.00	99.75
Do., Refund	4½	1946	4.50	99.60	95.65	100.10	96.70	100.00	99.75	190.10	100.05

WEEKLY RECORD OF FINANCING IN CANADA

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS.

Place	Date Sold	Municipal —Sold To—	Rate	Maturity	Amount	Price	Cost Basis
Hamilton	May	A. E. Ames & Co., and Bank of Nova Scotia	4½ & 5%		$557,000	101.43	4.78
Dunnville	May	C. H. Burgess & Co.	5½%	10-ins.	50,000	102.02	5.08
Calgary	May	G. F. Tull & Ardem and Syndicate	5½%	20-yr.	55,000	.....	....
London Twp.	May	Midland Securities Co.	5%	15-yr.	32,000	99.04	5.09
Stamford Twp.	May	Dyment, Anderson & Co.	5%	20-yr.	$15,000	100.04	....
West Vancouver	May	Waghorn, Gwynn & Co.	...	....	60,000	99.15	....

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
Montreal Coke & Mfg. Co.	May	Wood, Gundy & Co.	5½%	1947	$4,000,000	100	5.50
United Securities	May	Wood, Gundy & Co., and Syndicate	5½%	1952	8,600,000	100	5½%
Dredging Contractors	May	Royal Financial Corp.	6½%	1947	500,000	98½	...
Montreal Island Power	May	Nesbitt, Thomson & Co.	5½%	1957	8,000,000	...	...
Stock Issues—							
Quebec Dairies	May	Williamson, Plow, and Syndicate	7% pref.		$150,000	....	...
Pilsener Beer	May	Mount Royal Secs.	7% pref.		100,000	5	...
Can. Motor Lamp Co.	May	Matthews & Co.	7% pref.		225,000	100	7%
B. C. Telephone	May	Victor Odlum, Vancouver	6% pref.		4,500,000	100	...

Insurance for Buyer and Seller

LOSS PREVENTION IS ECONOMIC ROLE INSURANCE PLAYS

Professor Huebner Discusses the Economics of Insurance

By Staff Editor.

WASHINGTON.—Insurance problems were given considerable prominence at the annual meeting of the Chambers of Commerce of the United States, one session was devoted to the study of insurance questions. Three papers were read on various subjects, and one of them by C. A. Ludlum, vice-president of the Home Insurance Co., New York, contained the following glowing tribute to insurance by a French jurist:

"Insurance may justly be deemed one of the noblest creations of human genius. From a lofty height it surveys and protects the commerce of the world. It scans the heavens; it consults the seasons; it interrogates the ocean, and, regardless of its terrors or caprices, defines its perils and circumscribes its storms. It extends its cares to every part of the habitable globe, studies the usage of every nation, explores every coast and sounds every harbor."

Dr. S. S. Huebner, professor of insurance at University of Pennsylvania, who has addressed insurance men in different parts of Canada, proclaimed insurance as an integral part of economics. In part, he said:

"Economics have experienced great difficulty in assigning to insurance a place in the science of economics. They have been accustomed to the grouping of all human economic activities under the four time-honored division of production, exchange, distribution and consumption. Insurance has been to them a riddle, incapable of being definitely assigned to any one of those four divisions. This difficulty will remain until the fundamental nature of insurance is more clearly understood by economists. Like any other good product on the market, insurance involves activities that fall under all of the four divisions referred to. It aids production tremendously; it expedites exchange and distribution; it vitally influences consumption, and like other products is itself consumed. But that does not indicate the outstanding and distinctive mission of insurance, which is risk-bearing and risk-elimination in our worldly affairs. Risk-bearing is a universal phenomenon in our economic life, and is as distinctive in its way as are the other long-recognized divisions of economics. Insurance along all its numerous lines (be it property, life, or profits insurance) is entitled to a separate division in the science of economics.

"Insurance takes a hundred and one forms. Yet all may be classified into two grand divisions—property insurance (including profits insurance) and insurance of the person—depending on the subject-matter that constitutes the basis of the protection arranged for. Fire, marine, and numerous other forms of insurance fall within the first division, and life, health and accident insurance represents the leading types under the second. Some of the casualty lines—like compensation insurance and the various forms of liability insurance—would seem to fall within both divisions; yet, although applying to persons in one sense, their real purpose is the protection of the personal or business estate of the insured.

Cost of Risk-Bearing

"All insurance concerns itself with the indemnification of loss of value. This, the original purpose of insurers, is so well understood that no elaboration is necessary. Suffice it to say that the service is being rapidly extended to include not only indemnification of loss of existing values, but also under the form of 'business interruption insurance' the loss of profits and unavoidable fixed charges and overhead during the time that the business is rendered inoperative through the hazards that are covered by insurance. But what the public does not understand so readily is the necessity of effecting an equitable distribution of the cost of insurance among communities and individuals. Justice dictates that there should be as far as possible 'like rates for the hazards.' Our competitive industrial life also requires that one individual should not be unjustly handicapped by way of the cost of insurance as compared with another.

Eliminating Cause of Loss

"Worthy of greatest emphasis is the service insurance companies are rendering in the interest of the elimination of the cause of loss itself. 'An ounce of prevention,' we are told by Benjamin Franklin, that great apostle of insurance, 'is worth a pound of cure.' Prevention of loss is an outstanding service of all forms of insurance and should always be coupled with indemnity and the equitable determination of rates. It constitutes real insurance in itself. It aims to insure against the occurrence of loss altogether, whereas the indemnity function is designed to eliminate the economic consequences that result from such loss of value as has not or cannot be prevented.

"The insurance business is peculiarly fitted to be entrusted with the worthy effort of loss prevention. Fortunately, every type of insurance is again participating in this service to an ever increasing degree. Fire insurance companies spend millions each year in the interest of this social service through their actuarial and other scientific studies their formulation of campaigns along engineering and educational lines, their development of engineering and structural standards, and their special studies of leading problems such as water supply, fire department operations, and standard equipment.

Reducing Accident Toll

"Casualty companies are rendering this same great service in the interest of accident prevention through an analytical study of the accidents reported and the devising of means adapted to the prevention of their recurrence, the supervision of plant safety work, and the formulation of methods designed to reach effectively that difficult factor in accidents, namely, the human element. Bonding companies are stressing the prevention of embezzlement and the prevention of failure of contractors. Credit insurance companies, likewise, are placing their emphasis essentially upon the prevention of bankruptcy, and should bankruptcy occur, upon the salvaging of the assets of the bankrupt so that the largest number of cents on each dollar of obligation may be paid.

"In our property affairs we use the principles of appraisal, capitalization and depreciation. We create sinking-funds whenever obligations exist that must be met at some future due date. We apply the principles of credit, investment and indemnity. We conserve our property values against loss. And finally, to meet the time when control over our property must be relinquished, we make wills and enter into trust arrangements. Probably 80 per cent. of all our business literature deals with these principles, we apply them as a matter of ordinary business precaution to the management of our property affairs.

Conserving Human Life

"But property by no means constitutes the nation's principal economic value. There is another value—the human life value—which is much greater. It comprises our character and health, our education, training and experience, our industry and power of initiative, our judgment, and our driving force to put across in tangible fashion for the good of mankind the economic images that our mind creates. That value is the cause of all property values. It is the connecting link between the present and the coming generations. Measured on the basis of capitalized earning capacity of this nation's adults, at 5 per cent., this life value amounts to easily $2,400,000,000,000, or to at least six times the aggregate of all of this nation's mineral wealth.

"Now may we not ask why all the aforementioned principles, already applied to the organization and management of property, should not also be applied to the organization and management of the monetary worth of our own lives. And when we ask whether this can be done, my answer is an emphatic 'yes.' All that is being done with property by way of the aforementioned principles can likewise be accomplished with respect to the life value through the medium of life insurance. Life insurance is the institution which, if rightly used, enables us to do for the value of our life all of the things by way of scientific management that we are now accustomed to do in the interest of our property possessions. Life insurance is economics as we teach it in the field of property taken over bodily into the realm of human life values."

Disability Benefit is Now Integral Part of Life Insurance

By ARTHUR PEDOE, F.I.A.,

Actuary, Continental Life Insurance Company. Fourth of a series of articles, based upon the forthcoming World Congress of Actuaries.

Probably the greatest romance of life insurance in the past decade has been the evolution of the total disability benefit as an integral part of a life insurance policy. Its importance has been recognised by the International Congress of Actuaries for it is one of the seven subjects to be considered by the congress when it meets in London in June. Its development is also one of the principal contributions of the actuaries of this continent to actuarial science. Hardly a meeting of actuaries or life insurance executives on this continent takes place without some aspect of this total disability benefit being discussed. It is gradually changing the whole outlook of life insurance and as it is still in its infancy its development may possibly revolutionise the entire organization of our life insurance companies.

Started Early in Europe

How did it arise? In its primitive form it has been used in Europe by life insurance companies for a number of years, but in its modern development it is essentially a product of the American continent. Since 1910 its use has become increasingly popular until at the present time it is issued by practically every life insurance company on this continent. It is originated in the desire to protect the policy holder in event of his becoming disabled as to result in the total loss of his earning power. Firstly, the benefit just provided for the company waiving the premiums on the policy so as to relieve the policyholder from paying premiums on his policy when he was totally and permanently disabled; in other words, it insured the "life insurance." The next development was to pay out the sum insured in a number of instalments when the insured became totally disabled, thus meeting the immediate needs of the insured at the expense of the beneficiaries. In the event of a long continued disability all the insurance would be paid out and both the insured and the beneficiaries left without anything. The natural outcome was a benefit which paid an income to the insured so long as he was totally and permanently disabled and maintained the insurance in force, without further payment of premiums for the beneficiaries.

Some Call It Complicated

There are some life insurance executives who regret the introduction of disability insurance. They say it complicates the otherwise simple life insurance policy. But the question is does it supply a need related to and of importance commensurate with the benefits of life insurance? Consider that so long as the insured remains disabled without income his family is in financial straits even worse than if he were dead. The heavy additional cost of medical service must be met besides the ordinary living expenses of the family. Further, the life insurance itself is in danger as the premiums would have to be met and in the extreme need of the moment the policy itself might have to be cashed to meet the urgent need for funds. If life insurance as a protection for one's dependents and a provision for one's old age is necessary, then the need for disability insurance, which protects one's own self as well as one's dependents in event of total disability or the "living death," is even greater.

How does the risk of one being totally disabled compare with the risk of death? The latest statistics when applied to a number of men aged 35 show that for every hundred who die before age 60, seventy-five will be totally disabled for three months or more, and twenty-five will be totally disabled for at least two years. Let the average man consider what would happen to his home and his dependents if he were totally disabled for over two years and the need for disability insurance will be driven home to him.

Practice Now Observed

The total disability benefit in its latest form as adopted by the Canadian life insurance companies provides that in the event of the life insured becoming totally disabled before age 60 for more than three months' then the premiums on his policy will be waived. Further, so long as he remains totally disabled an income of $10 a month for every $1,000 insured under the policy will be paid him. The policy itself remains in full force with all its privileges and dividends paid as if the premium payments had still been continued by the insured. Under an endowment policy the income is paid generally until the maturity of the policy only. The waiting period of three months is to eliminate the bulk of temporary illnesses of short duration and thus keep the cost of the benefit low. The cost under any of the usual forms of life policies is approximately ten per cent. of the regular life premium.

Some Inferior Clauses

Only about one-third of the new life insurance being issued carries the total disability benefit and we can only presume from this that the great value of this benefit is not yet appreciated by the insuring public.

It is essential to mention that in the evolution of the total disability benefit many clauses with inferior benefits have been issued and incorporated in life insurance policies, a lesser premium, of course, being charged. It would be as well to examine one's life policies to understand the type of disability clause, if any, included in it. Most companies will change a clause to a more up-to-date form or insert one where it does not exist on satisfactory evidence of health being produced and the new premium being paid. It is too late when a disability actually occurs.

Issue Insurance License

The superintendent of insurance at Ottawa has issued a license to the New Hampshire Fire Insurance Co., to transact the business of fire, sprinkler leakage, and tornado insurance, and insurance to property of any kind, caused by the explosion of natural or other gas.

Quebec Insurance Figures

According to a report issued by the Superintendent of Insurance in Quebec, there were 10 provincially licensed joint stock insurance companies operating in that province in 1926. The assets of these companies amounted to $11,573,207, and the insurance in force to $53,251,989. Receipts from assessments and premiums amounted to $2,695,589, and from all other sources to $860,907, making a total income of $3,556,496. Against this there were total disbursements amounting to $2,149,894.

Appointed Supervisor

SINCLAIR C. McEVENUE, who has been appointed western supervisor for the Canada Life.

The Imperial Life Assurance Company announce the appointment of A. C. McPhee, formerly manager of the Royal Bank of Canada, Chicoutimi, as manager for the Eastern Townships, with offices at Sherbrooke.

The North American Life Assurance Co. announces that G. C. Burbidge has been appointed branch manager for Ottawa and district, and that H. M. Ellison has been appointed branch manager at Windsor.

An Average Return of 36%

An investment of approximately $425.00 during 1917 in the shares of 37 leading Canadian and American Insurance Companies would have obtained a market value of $1,150, and over this 10-year period returned an average of 36% a year. This makes one of the safest forms of business operated under Government supervision. There are many such opportunities to-day in the shares of established companies. May we send you our literature and analysis of various stocks?

AD. 8127-8

The Insurance Investments LIMITED
Insurance, Bank and Trust Company Stocks
437 Bay Street, Toronto 2, Ont.

Canada Steamship Lines Finds Business Good

From Our Own Correspondent.

MONTREAL—The strength in the shares of the Canada Steamship Lines seems to be due only to the bettered results which the company is obtaining this year as compared with the same period of a year ago.

The government report on the canal traffic in Canada indicates clearly that the company experienced materially better business during the early weeks of the 1927 navigation season. Approximately 5,250,000 tons of freight was moved through the canals in April, 1927, as compared with none at all in 1926. "Steamers" may be expected to have shared substantially in this increased traffic. At Sault Ste. Marie, navigation opened three weeks earlier this year than in 1926 with a heavy movement of grain and iron ore shipments. The Welland Canal opened April 16, as compared with May 1 last year.

Ships Newsprint Abroad

MONTREAL.—Due to the increasing capacity for newsprint production, more and more of the Dominion's output is finding its way into overseas markets. Last week, the Canadian International Paper Company shipped 500 tons of newsprint via the Canadian Pacific liner "Montreal" and the company's own vessel, the "Philips T. Dodge," was also loaded with a cargo of newsprint for use in London.

Atlantic Underwear Grows

MONTREAL.—Construction work has commenced on an addition to the plant of the Atlantic Underwear, Limited, in Moncton, N. B. The new building will be three stories in height and will be of brick and concrete construction. When completed, the offices will be located on the ground floor, while the other two floors will be used as sample and stock rooms.

THE CANADA NATIONAL FIRE INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, CANADA
TOTAL ASSETS $2,928,337.62
TORONTO, 24 Adelaide St. W.
W. H. GEORGE
Superintendent of Agents

WESTERN ASSURANCE COMPANY
Incorporated 1851
Fire—Marine—Automobile—Burglary—Guarantee
HEAD OFFICE - TORONTO

The NORTHERN LIFE ASSURANCE COMPANY OF CANADA
Good insurance salesmen can always find a place with our growing organization. Write for full particulars.
Head Office: London, Ontario.

The Independent Order of Foresters
LIFE—20 Payment.
(With Cash Surrender Values and Automatic Non-forfeiture).
OLD AGE BENEFIT CERTIFICATE—With 100% Disability and 100% Old Age Benefit.
(With Cash Surrender Values and Automatic Non-forfeiture).
ENDOWMENT—20 Year with Disability Features.
(Surrender Values and Automatic Non-forfeiture.)
The Society still issues its standard Policy (Whole Life) with 70% Disability and 70% Old Age Benefit.
HEALTH AND ACCIDENT POLICY.
(Ten Dollars per week, Benefits Unrestricted. Non-cancellable with Disability and Paid-up Features).
JUVENILE INSURANCE
POLICIES ISSUED FROM $1,000 to $5,000.
For Rates and Particulars. Write Head Office.
THE INDEPENDENT ORDER OF FORESTERS - TORONTO, CAN.

THE MONARCH LIFE IS A GOOD COMPANY
Provincial Offices:
Toronto, Montreal, Winnipeg, Regina, Saskatoon, Calgary, Edmonton, Vancouver, Victoria.

NORTHWESTERN MUTUAL FIRE ASSOCIATION
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HEAD OFFICE FOR CANADA, HAMILTON, ONTARIO.
Writing Fire Insurance at Cost Assets $3,751,733.94
ALL POLICIES DIVIDEND PAYING AND NON-ASSESSABLE.
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Toronto, Ottawa, Vancouver, Victoria, Edmonton, Saskatoon, Winnipeg, Montreal, St. John, Halifax, and Charlottetown.

$50 PER MONTH For Life

A Widow's Tribute:—

Protection with Profit

"There was no end to his thoughtfulness. The Great-West Life monthly cheque never fails us; it meets every need; we are free from investment worries and the sin of extravagance."

Great-West Life Assurance Company

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Notice to Shareholders

THE BRITISH AMERICAN OIL COMPANY, LIMITED

The holders of registered Share Certificates for stock of The British American Oil Company, Limited, of record at the close of business on Saturday, the 11th day of June, 1927, are entitled to subscribe for new shares of the Company at the price of $17.50 per share in the proportion of one share of new stock for every five shares then held by them respectively.

Subscriptions for such new shares must be received by the Company at its office, 13th Floor, Royal Bank Building, Toronto, Ontario, on or before the 11th day of June, 1927, together with payment therefor in full by bank draft or certified cheque, or in the case of subscriptions by the holders of share warrants such subscriptions and payments may be made at the offices of Union Trust Company, Limited, Toronto, Ontario, or the Agency of The Royal Bank of Canada, 68 William St., New York, N.Y., on or before such date.

The holders of share warrants representing shares of the Capital Stock of the Company are also entitled to subscribe for new shares at the price of $17.50 per share in the same proportion as shareholders of record, that is to say, at the rate of one share of new stock for every five shares represented by share warrants, but in order to do so must on or before the 11th day of June, 1927, deposit the share warrants at the offices of Union Trust Company, Limited, 105 Victoria Street, in the City of Toronto, or at the Agency of The Royal Bank of Canada, 68 William St., New York, N.Y., together with a statement in writing of his name and address and a subscription duly executed for new shares and payment therefor in full accordingly.

All said subscription rights terminate on the 11th day of June, 1927, and shares not subscribed for on or before that date may be allotted or otherwise disposed of as the Directors may determine.

The books of the Company will be closed from Saturday, the 11th day of June, 1927, until the close of business on the 4th day of July, 1927, except for the purpose of recording the new shares subscribed for and allotted.

The said new shares will be allotted by the Directors of the Company on or after the 11th day of June, 1927, to shareholders who shall have subscribed and paid therefor on or before such date, and certificates will forthwith issue accordingly.

Shares subscribed and paid for and allotted in accordance with this Notice will be of record and entitled to the dividend declared for the second quarter of the year, payable the 4th day of July, 1927.

Note that subscription rights will accrue only in respect of the number of shares held by each Shareholder which may be evenly divisible by five without regard to fractions, and no rights shall accrue in respect of the shares not divisible by five and no certificates or warrants will be issued in respect of fractional rights.

Forms of subscription for use by registered Shareholders and forms of combined statement of share warrants deposited and of subscription for use by the holders of share warrants, and particulars regarding the depositing of share warrants and the return of the same, may be obtained at the office of the Company, 13th floor, Royal Bank Building, Toronto, Ontario, or at either the office of Union Trust Company, Limited, 105 Victoria Street, Toronto, Ontario, or the office of the Agency of The Royal Bank of Canada, 68 William St., New York, N.Y.

Warrants forwarded by mail for deposit are at the owner's risk and should be registered and insured. When warrants are returned after deposit and warrants and/or share certificates for new shares are delivered, if mailed, they will be registered but will be at the owner's risk.

The usual quarterly dividend of Twenty Cents per share for the second quarter of 1927 has been declared on the paid-up Capital Stock of the Company. The above dividend is payable July 4th, 1927, to Shareholders of record at the close of business on the 11th day of June, 1927. Transfer books will be closed from the 13th day of June to the 4th day of July, both days inclusive.

Share Warrant holders will please present coupons, Serial No. 2, to The Royal Bank of Canada, Toronto, Ontario, or to the Agency of The Royal Bank of Canada, 68 William St., New York, N.Y., on or after July 4th, 1927.

DATED at Toronto, Ontario, this 11th day of May, 1927.

BY ORDER OF THE BOARD,

P. W. BINNS, Secretary.

Current Events in Banking World

FEWER ACCOUNTS ADDED TO PROFITS OF TWO BRANCHES

Number is Less Important Than Quality in Seeking Business

By C. PAYELL.

A couple of managers were recently discussing the question of service charges on checking accounts. In comparing notes they found that their branches had suffered a reduction in the number of current accounts during the past year and incidentally they had both received letters from their respective head offices asking briefly "Why?"

Each manager had the same story to report and attributed the losses to the "get business at all costs" methods of one of their competitors. On the surface it appeared that the managers who had held out for fair service charges had suffered, but an analysis of the profit and loss accounts of each individual branch disclosed the fact that in reality their minor profits, as applicable to monthly service charges, had increased by $10. and $15. per month respectively. As against this, one branch had lost 10 accounts and the other 13. Checking up the previous year's figures of the lost accounts it was found that the average daily balances carried during the previous year had totalled approximately $5,000. Allowing 5 per cent. on these free balances the apparent loss in profits amounted altogether to $250. On the other hand, the total number of cheques issued against the 23 accounts during the year had been 4,140. Calculating the cost per cheque at 5 cents, the cost of carrying the accounts had amounted to $207, not counting other services such as cheques returned through lack of funds, et cetera. In reality therefore, the net loss was $43, as against an increase of $300 in service charges. It is obvious that they were both better off in holding out for adequate service charges and their competitor may have been able to report a substantial increase in the number of his accounts, but at what cost?

A line-up at the teller's cage warms the heart of the bank manager but in the article herewith, C. Payell, a bank manager, argues that the accounts are not important if they do not add to profits.

Adding to Bank Difficulties

In his efforts to show a gain in number of accounts he had contributed to the difficulties of all the banks, including his own, in their endeavors to educate the public in taking the monthly service charge as a matter of course.

The average customer is quite willing to listen to the reasonableness of the service charge but one cannot blame him if he goes to a branch where services are given gratis, although doubts may enter his mind with regard to the business ability of the manager responsible for this; however, that is not his affair. He is perfectly ready to admit that the bank is performing valuable services for him in looking after his money assuming, as it does, the risk of his losing it through theft or destruction by fire, and incidentally obviating him from the necessity of installing a safe. He is also aware of the fact that cheques cost money and that a ledger-keeper's services cannot be secured for nothing, although he may not think it necessary to assume his share of the cost of the upkeep of the office or count the cost of the annual payroll. He recognizes the value of paying his accounts by cheque thus obtaining receipts for his disbursements. He knows that pass-books cannot be obtained from cheap second-hand stores. He finds that deposit slips make useful scribbling pads. He will not dispute the fact that considerable time and money can be saved in collecting accounts through the bank. He does not frown upon an occasional loan in the form of an overdraft. In the event of having to furnish a bond, or in his efforts to establish credit relations, he is is not ashamed in giving the name of his bank as a reference. His book-keeper sometimes complains that an error has been made in the extension of a balance but he finds a bank account useful in keeping his employer's books straight. When in doubt as to the solvency of Jones, from whom he has received an order, the customer finds the bank useful in enabling him to avoid losses through bad debts. In short, he does not consider his bank to be an altogether unmitigated nuisance, and he is perfectly willing to pay for all these services, until he receives an invitation from another bank to accept them as a gift.

Number Versus Quality

The question arises, therefore, as to whether some banks are not possibly laying too much stress on the importance of gaining in number of accounts at the sacrifice of quality.

Owing to misinterpretation of the attitude assumed by their head offices, certain managers are likely to be influenced in employing unsound methods so as to make it appear that they are energetic in building up their business and in frantic efforts to attain a certain objective in numbers. In the last analysis, profits are what count, and it is just a question as to whether or not some institutions are not debasing their own ends by paying too much attention to the increase in volume of business.

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Charles Dollack
The Pipe Man
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25 Leader Lane, Toronto. (Op. King Ed. Hotel)

Capital: $1,000,000
Reserve: 350,000

Complete Trust Service

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Wills and Trusts
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Charlottetown, P.E.I.
MONTREAL— 138 St. James St.
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APPRAISALS REPORTS
INVESTIGATIONS

Industrials—Public Utilities—Natural Resources

How do you write off Depreciation?

THERE is only one accurate, sound method of determining depreciation—and that is by an examination of the property itself, and the testing of this examination by standards which are complete and in absolute accord with sound business principles.

The scientific determination of depreciation is one of the services which the long experience and inexhaustive statistics of the Canadian Appraisal Company enable it to render.

Canadian Appraisal Company Limited

Royal Bank Announces Subjects for Contests

The following topics have been chosen as subjects for The Royal Bank of Canada Economics Fellowship Competition:

Does Canada Need a Federal Farm Loan System? A study of the Tory report and Federal legislation.

Canada's optimum of population and how it may be obtained. In this context the word optimum may be defined to mean the ideal number of people of the type which will be most satisfactory for the building of the nation.

The potential development of Canadian trade in one of Canada's foreign markets.

Economic possibilities of the Maritimes. A study of the Duncan report.

The Royal Bank of Canada has offered a $1,000 fellowship to the student at a Canadian university who sends in the best essay on one of these four topics before the 15th of March, 1928. With the feeling that the intelligent discussion of such topics will assist in securing a well informed public opinion on these matters, which are each of great importance in Canada's economic development, the students have been asked to prepare their papers in non-technical language. Careful consideration of these topics will show that they are among the most significant subjects of current economic interest in this country.

Staff Gossip

A. C. Reeves of the Canadian Bank of Commerce staff, at Lougheed, has been transferred to Provost.—Journal, Edmonton.

Announcement is made of the transfer of E. Mitchell, manager of the Drumbo branch of the Bank of Montreal, to the Tilbury branch of that institution.—Sentinel-Review, Woodstock.

E. S. Shannon, manager of the Bank of Montreal, Kimberley, since the inception of the branch about seven years ago, has left for Vancouver, having been transferred to the main office there. His successor in the Kimberley branch, J. D. Burnyeat, formerly of Vancouver, has arrived to take over the position.—News, Nelson.

Standard to Open Branch

It is announced that the Standard Bank of Canada has acquired the building formerly occupied by the Canadian Mortgage and Investment Company at 10 Adelaide Street East.

The ground floor is being fitted up as a banking office, and is having installed the most modern safety deposit vaults procurable. A branch of this bank will be opened in these premises as soon as the alterations are completed, probably about July 1.

This branch will be known as the Adelaide and Yonge branch of the Standard Bank of Canada, and will be the twenty-fifth office in the city of Toronto.

Weekly Bank Clearings

(In comparison with the same week last year)

WEEKLY BANK CLEARINGS

Eastern Cities	May 13/26	May 12/27
Halifax	$2,737,903	$3,171,363
St. John	2,616,127	2,737,186
Moncton	927,979	888,036
Sherbrooke	658,357	983,284
Quebec	14,359,595	8,648,110
Montreal	105,576,352	141,783,999
Ottawa	7,454,429	8,038,735
Kingston	773,407	851,475
Peterborough	900,599	1,022,752
Toronto	97,635,874	130,005,922
Hamilton	4,890,435	6,070,083
Brantford	901,718	1,158,387
London	2,491,604	3,115,327
Kitchener	998,492	1,195,084
Chatham	686,793	851,622
Windsor	4,730,698	5,054,635
Sarnia	576,616	599,034
Western Cities	**May 13/26**	**May 12/27**
Winnipeg	$47,843,950	$51,007,459
Fort William	1,115,402	810,572
Brandon	490,393	494,258
Regina	3,520,142	5,530,459
Moose Jaw	854,725	1,114,624
Saskatoon	1,897,604	1,899,908
Prince Albert	376,939	407,276
Lethbridge	465,280	506,369
Medicine Hat	245,122	245,122
Calgary	6,359,301	6,338,574
Edmonton	5,297,712	4,663,353
N. Westminster	661,736	897,981
Vancouver	15,451,005	19,790,810
Victoria	1,904,755	2,458,246

G. A. DEWBERY

Consulting and designing mechanical engineer.
Specializing in metal working machinery.

Liggett Bldg.,
King St. E. and Catharine
HAMILTON, ONT.

Lower Interest in Paris

Bank of Montreal, Paris, has reduced interest rates on deposits. Now 2½ per cent. will be paid on balances of 25,000 francs and over; 2 per cent. on 10,000 to 25,000 francs and nothing on balances lower than 10,000 francs.

The development of the sheep industry in the Kamloops district appears to be going ahead.

The development of the muskrat industry five miles south of Revelstoke will be proceeded with further this year.

Atlantic Sugar Refineries
LIMITED

Lantic Sugar

General Offices
211 McGILL STREET
MONTREAL

Refineries - St. John, N.B.

For Economy with Service
Route Your Freight Shipments
via
Canada Steamship Lines,
LIMITED

Between	*From*	*Between*
Montreal	Montreal, Toronto, Hamilton	Montreal, Toronto,
Three Rivers	to	Hamilton, Windsor,
Quebec	Port Arthur, Fort William	Detroit

SASKATCHEWAN

THE league-long furrows of Saskatchewan create millions of dollars of new wealth every year and her golden grains are part of Canada's currency the world over. Although young as a province, the records of last year's crops are eloquent of industry and prosperity. The grain crops in 1926 are estimated at:—

Wheat	218,643,000	bushels
Oats	110,726,000	"
Barley	21,896,000	"
Rye	5,396,000	"
Flax	3,706,000	"
	360,367,000	"

The total area of the province is 155,764,100 acres, yet the grain crops were produced on 19,128,769 acres only.

The dairy industry in Saskatchewan is developing rapidly.

Last year the total production of creamery butter amounted to 16,632,765 lbs., an increase of 4 per cent over the 1925 production. This is indicative of the growth of diversified farming in the province.

In 1911 the population of Saskatchewan was 492,438. On June 1st, 1926, it was 821,042. Yet the millions of fertile acres within the boundaries of the province offer work and wealth for many times that number. The congested condition of the older countries and the growing food demands of the world give this available land a special significance.

While Saskatchewan is primarily an agricultural and dairy province, encouraging developments in connection with other natural resources and coal, clay and non-metallic mineral industries are taking place every year.

Much activity is being shown in testing and boring for oil and gas and it may be that, under the ground, hidden wealth, which will rival the grain, is waiting exploitation.

Information

This announcement appears in the Press throughout Canada this month. An outline of Ontario's contribution to the national wealth and resources will be published during June.

1867 • CANADA • 1927

The Northern Electric Company continues to contribute to this growth by developing and supplying much of the electrical equipment which binds the provinces together industrially and socially.

Northern Electric
COMPANY LIMITED

Equipment for the transmission of Sound and Power

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Business is Victim While Governments Dispute Jurisdiction

Forthcoming Conference May Air Province-Federal Fight

From Our Own Correspondent.

OTTAWA.—The federal government has announced its intention of submitting to the conference of the provincial and dominion governments, to be held in Ottawa this autumn, the whole question of control of business companies in Canada.

The dispute in the control of companies in Canada has been a never-ending source of embarrassment to business for 40 years and is, perhaps, the one field in which the Fathers of Confederation failed to show the wisdom which was theirs in framing the broad terms of Confederation. On the point of controlling companies, the British North America act speaks with two voices. First, the federal government is given authority over trade and commerce and over all companies whose activities are for the general advantage of Canada. Second, the provinces are expressly empowered to incorporate companies with provincial objects and are made custodians of property rights. Where the one field of jurisdiction stops and the other commences must necessarily be a matter of opinion and only by long and costly litigation, entailing endless delay and uncertainty—the bugbears of all business enterprises—may the final opinion of the courts be ascertained. Then, too, such decisions must necessarily govern only one or two individual lines of business, while the conflict embraces the whole field of commerce, and so the disturbing and ruinous conflict proceeds.

Each Seeks Supremacy

At the forthcoming conference the federal government undoubtedly will endeavor to reach agreement with the provinces, but it is inevitable that both parties to the dispute will seek a solution by eliminating the other. The federal government will aim to increase the powers of the federal jurisdiction and diminish the authority of the provinces. On the whole, for the good reason that incorporation and control of companies mean rich revenues, it is too much to expect that any solution will be found. Especially is this true of a conference where this question will be one of many. It is probable, therefore, that the control of companies will not receive more than superficial attention and will be gone into more thoroughly at a later conference at which it will be the chief subject of discussion.

Where Fight Is Most Acute

Trust and loan companies, and insurance companies, have, perhaps, suffered more from the contest between provincial and federal authorities in the last 20 years. The federal government has consistently sought to enlarge its powers and for many years the provinces, particularly Ontario, have disputed every inch of the way. Business men will recall the stern fight over the license clauses added to the insurance act several years ago and only finally acknowledged a short time ago. Last session of parliament, the federal government enacted amendments to the loan and trust companies acts requiring all companies to obtain a federal license before operating. These amendments are now being challenged by Ontario and New Brunswick and perhaps others of the provinces and will not be rivetted upon the business world until the question has been decided by the privy council.

The loan companies more than any other section of the Canadian business world has suffered owing to this division in authority.

Of late years, the western provinces have been extremely critical of federal control companies. They have sought to obtain authority over the sale of shares in their respective confines and in this they have been denied by the federal government.

Perhaps not arising directly out of this dispute, but certainly due in part to the ill feelings engendered many of these provinces have worried and badgered federal incorporations unmercifully.

In their endeavor to compel companies to acknowledge provincial jurisdiction, the western provinces have gone to extreme lengths. There have been instances in Manitoba where a federally incorporated company was refused provincial recognition and even forbidden to own property. Of course such actions could not be sustained in a court of law, but, young companies just starting out in life cannot afford long legal battles with governments.

There is the case of the Canada Grain act, perhaps the most important statute, in a business sense, on the law books of the Dominion. The Canada Grain act, according to most lawyers, invades the provincial sphere particularly in the all important matter of controlling terminal elevators. A few years ago an elevator company at Fort William declined to hand over "overages" to the federal government and the courts eventually ruled that the statute, in this particular, was ultra vires. The federal government got around this by declaring terminal elevators to be works to the general advantage of Canada, but, notoriously, this declaration is not very soundly founded in law and might be upset by any wealthy grain company willing to stand the public odium of challenging it.

Battle On Egg Grading

Then there was the case of the Livestock and Livestock Products act, under which all grading is done by the federal government. This act was challenged in 1924 by importers of eggs who were unwilling to meet the ordeal of grading and the result was to upset the statute and through the whole of the cold storage and commission business into a state of uncertainty which was not terminated until the provinces passed enabling legislation. Even yet it is impossible for the federal government to extend the grading system without previous consultation and agreement with all the provinces — an almost impossible barrier to progress.

In 1920 the area sown to alfalfa in Canada was 238,000 acres. Six years later it was 858,000 acres.

FOREIGN EXCHANGES

Italian Currency Features Market

There were no dominant features on the foreign exchange market during the past week, the market as a whole being uneventful. New York funds are still at a small discount, touching a high of 3-64. but generally remaining around 1-16. Navigation on the Great Lakes has been held up during the past ten days on account of unseasonable weather. Consequently the movement of grains and merchandise has not been as great as expected with the result that New York funds are not in great demand.

Italian lire continues to hold the centre of interest. The Facist government's plan to reduce the cost of retail prices and wages (the latter already having been cut 10 per cent.) is regarded favorably, as it is aimed to bring cost of living down to a point nearly corresponding to the wholesale prices and exchange levels, which will in turn permit wage adjustments in line with the increased internal value of the lire. There has been a good demand for Italian currency and the price has remained firm.

Some interest was shown in the German mark. A higher Reichsbank rate is spoken of as the mark has almost reached a level to permit continental countries to take gold from Germany. Rather than release the gold, the Reichsbank sold a large amount of foreign exchange. The mark, however, is still a closed market, controlled by Reichsbank through manipulation of foreign balances.

Maintenance of the Bank of England 4 per cent. rate brought increased offerings of sterling. The Japanese yen was slightly lower, but active. Cables from that country state there has been no change in the banking situation. Importers have been selling to meet commercial requirements, breaking the bill 3.16 cents to 47.15 cents. (Wednesday).

A programme of monetary reform has been put into effect by Brazil, by which eventually the milreis will be supplanted by a gold currency with the unit of cruzeitre, value of which in milreis has not yet been fixed. The government has opened a stabilization office, which in time will be the centre of the monetary system, holding the gold reserve, and maintaining a gold standard.

NEW YORK FUNDS

	High (Discount)	Low (Discount)	Last Year High (Discount)	Last Year Low (Discount)
May 12	3-64	3-64	1-16	3-32
May 13	3-64	1-16	3-32	1-8
May 14	3-64	1-16	1-16	5-64
May 16	3-64	3-64	5-64	3-32
May 17	3-64	1-16	1-16	3-32
May 18	3-64	1-16	3-64	3-32

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
May 12	4.85½	3.91¾	5.41
May 13	4.85¼	3.91¾	5.43½
May 14	4.85 7/16	3.91¼	5.42
May 16	4.85 9/32	3.91¼	5.45¾
May 17	4.85	3.91 5/16	5.48½
May 18	4.84 31/32	3.91 1/16	5.42

FOREIGN EXCHANGE

Par		May 11	May 18
13.90	Italian	5.43	5.42
32.45	Brazilian	11.81	11.81
23.82	German	23.67	23.69
19.30	Belgian	2.78	2.78
84.85	Japan	47.50	47.35

Important deposits of magnesite are found in the Grenville district in the province of Quebec. Magnesite is used largely as linings for steel-making furnaces and in the manufacture of cement.

NEW ISSUE

$3,600,000

United Securities Limited

(Incorporated under the Quebec Companies Act 1920)

5½% Collateral Trust Sinking Fund Gold Bonds Series "A"

Dated May 1st, 1927. Due May 1st, 1952

Interest payable semi-annually May 1st and November 1st. Principal and interest payable at The Royal Bank of Canada, Montreal in Canadian gold coin, or at the agency of said Bank in the Borough of Manhattan, City of New York, in United States gold coin; or at the office of the said bank in London, England, in gold coin, English sterling at the fixed rate of exchange of $4.86⅔ to the pound sterling. Coupon bonds in denominations of $500 and $1,000 registerable as to principal only. Redeemable in whole or in part at the option of the Company on 60 days' notice at 105 if redeemed prior to May 1st, 1932, and thereafter at 1% less for each five subsequent years or fraction thereof.

MONTREAL TRUST COMPANY—TRUSTEE

CAPITALIZATION

	Authorized	Issued
Common Stock (par value $100)	$14,000,000	$5,126,200
6% Cumulative Preferred Stock	6,000,000	5,125,400
Collateral Trust Gold Bonds	20,000,000	3,600,000 (Series "A")

ASSETS

Consolidated Securities Limited. The principal asset of this Company consists of 27,382 Common Shares of Montreal Tramways Company. These Shares represent over 52% of the presently issued Shares of Montreal Tramways Company, and have a present market value in excess of $4,750,000. These Shares are pledged as collateral security for an issue of $3,800,000 of 6% Collateral Trust Sinking Fund Gold Bonds of Consolidated Securities Limited due 1952, which Bonds are owned by United Securities Limited and are pledged by it as security for this issue. United Securities Limited holds over 99% of the outstanding Common Stock of Consolidated Securities Limited.

Quebec-New England Hydro-Electric Corporation. Under an agreement of sale entered into February 24th, 1926, Montreal Light, Heat & Power Consolidated has purchased from United Securities Limited all of its holdings of Common Shares of Quebec-New England Hydro-Electric Corporation for a price to be satisfied by the payment of $400,000 per annum for 30 years from August 1st, 1924.

The Canadian Light & Power Company. United Securities Limited owns 18,593 Shares of the 33,248 outstanding Shares of this Company and also $1,302,000 of this Company's First Mortgage Bonds due 1949.

BUSINESS

United Securities Limited through stock ownership either directly or indirectly controls the following Public Utilities serving the City of Montreal and its vicinity:—

Montreal Tramways Company, which owns and controls the street railway operated in the City of Montreal and in the suburban municipalities on the Island of Montreal. The estimated population of the district served is about 1,000,000. The Montreal Tramways Company has paid dividends on its Common Stock for more than 30 years, the present rate being 10% per annum.

The Company's franchise rights are embodied in a contract with the City of Montreal ratified by the Legislature of the Province of Quebec. The contract continues in effect and is not terminable unless the City exercises the right to expropriate the Company's property in March, 1953, or at the expiration of every subsequent five-year period, at a value to be fixed by arbitration, plus 10% of such amount.

The Canadian Light & Power Company, which operates a hydro-electric plant, located at St. Timothee, on the St. Lawrence River, about 30 miles from Montreal, having an installed capacity of 28,000 H.P., supplies about 15,000 H.P. of continuous power under contract to Quebec-New England Hydro-Electric Corporation (now operated by Montreal Light, Heat & Power Consolidated).

SECURITY

There will be specifically pledged under the Trust Indenture securing the Bonds of this issue:—

$3,800,000	Consolidated Securities Limited Series "A" 6% Collateral Trust Sinking Fund Gold Bonds due 1952.
8,768	Common Shares of Consolidated Securities Limited (of a total of 8,794 shares issued and outstanding).
$800,000	Canadian Light & Power Company 5% First Mortgage Gold Bonds due 1949. (of a total of $3,300,000 authorized and outstanding).
18,593	Common Shares of Canadian Light & Power Company.

EARNINGS

It is estimated that the net annual income of the Company, before provision for Income Tax, will be over $540,000 which income includes a portion (properly applicable to revenue) of the annual payment of $400,000 to be made to the Company by Montreal Light, Heat & Power Consolidated.

THE ABOVE NET INCOME IS OVER 2.7 TIMES THE BOND INTEREST REQUIRED.

COVENANTS

The Trust Indenture contains covenants whereby the Company undertakes at all times to maintain stock control of Montreal Tramways Company either directly or through Consolidated Securities Limited.

SINKING FUND

The Trust Indenture contains the covenants of the Company to provide a Sinking Fund, beginning on May 1st, 1928, of $40,000 annually, plus interest on all Bonds redeemed.

PURPOSE OF ISSUE

The proceeds of this issue will be used for the purpose of funding temporary bank loans and other corporate purposes.

WE RECOMMEND THESE BONDS FOR INVESTMENT

Price: 100 and interest, to yield 5½%

We have purchased, and offer the above Bonds, when, as and if issued and received by us, subject to the approval of all legal details by Messrs. Lafleur, MacDougall, Macfarlane & Barclay.

Aldred & Company, Limited **Wood, Gundy & Company, Limited**

Harris, Forbes & Company Limited **L. G. Beaubien & Cie Limitée** **Greenshields & Co.**

Hanson Bros. **René T. Leclerc, Inc.** **A. E. Ames & Co.**

Geoffrion & Company **Société de Placements du Canada**

The statements contained in this advertisement are not guaranteed but are based upon information we believe to be reliable and on which we acted in purchasing these securities.

May, 1927

B.C. Mining Stocks

Special wire to The Financial Post.

VANCOUVER.—The Vancouver stock exchange has had a quiet week with no special features except the recovery in Premier which sold at 2.10. Other quotations to Wednesday night were:

Lucky Jim: sold 21½, closed 21-21½.

Independence: sold 9¼, closed 8¾-9¼.

Opening for

Experienced Newspaperman

Position calls for a man who has had all-around training; handling copy, writing headlines, making up paper; and who can also write feature and general stories.

State experience and salary you want to start at.

Box 40,
The Financial Post,
Toronto

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND of THREE per cent. upon the paid-up Capital Stock of this Institution has been declared for the current quarter, payable on and after WEDNESDAY, the FIRST day of JUNE next, to Shareholders of record of 30th April, 1927.

By order of the Board.
FREDERICK WILLIAMS-TAYLOR,
General Manager.
Montreal, 19th April, 1927.

THE CANADIAN BANK OF COMMERCE

Dividend No. 161

Notice is hereby given that a dividend of Three per cent. upon the paid-up capital stock of this Bank has been declared for the quarter ending 31st May, 1927, and that the same will be payable at the Bank and its Branches on and after Wednesday, 1st June next.

The Transfer Books of the Bank will be closed from the 17th May to 31st May next, both days inclusive.

By Order of the Board,
S. H. LOGAN,
General Manager.
Toronto, 14th April, 1927.

The Royal Bank of Canada

Tenders will be received by the undersigned for the whole or any portion of approximately seven thousand (7,000) shares of the par value of $100 each of the new stock of The Royal Bank of Canada issued on the 11th December, 1926, pursuant to a resolution passed by the Board of Directors on that date.

The shares comprise the unaccepted allotments and the fractions which, under the provisions of the Bank Act, were not allotted.

The stock will rank for dividend from date of payment. Interim receipts will be issued, which may be exchanged for regular stock certificates on and after 1st September, 1927.

Tenders must state the price per share offered and be accompanied by a certified cheque for ten per cent. of the amount. In case a tender is accepted, the balance will be payable on allotment.

Tenders will be received up to 3 p.m. on Tuesday, the 31st day of May, 1927, and must be marked "Tender for Stock," and addressed "The General Manager, The Royal Bank of Canada, Montreal."

The bank does not bind itself to accept the highest or any tender.

By order of the Board,
C. E. NEILL,
General Manager.

Montreal, 6th May, 1927.

DEBENTURES FOR SALE

CITY OF PRINCE RUPERT BRITISH COLUMBIA

$85,797.05—5% Debentures

Sealed tenders addressed to the undersigned and endorsed "Tenders for Debentures," will be received by the undersigned up to 5 p.m., Monday, May 30th, 1927, for the purchase of the following debentures:

$50,797.05 Consolidated Local Improvements.

$35,000.00 General Debentures.

Both issues dated January 2nd, 1927, and issued on the serial plan—one to ten years.

Principal and half yearly interest payable principal cities in Canada and New York, U.S.A.

Bonds may be registered as to principal.

D. J. MATHESON,
City Treasurer.

The Cosgrave Export Brewery Company

Dividend No. 18

Notice is hereby given that a quarterly dividend of one and one-quarter per cent. (1¼) has been declared on the shares of this company payable on the 15th day of June, 1927, to shareholders of record the 31st day of May. James F. Cosgrave, President.

THE FINANCIAL POST

Special Section 17-24 | PUBLICATION OFFICE: TORONTO, MAY 20, 1927 | Special Section 17-24

PRESTON CALLS FOR INDUSTRIES AND TOURISTS

PRESTON'S HISTORY PROVES SPIRIT OF PROGRESS IS OLD

From Earliest Days Community Has Greatly Assisted Manufacture

GRIST MILL IS FIRST

Then Followed Saw Mill, Foundries and Even Railway Had Hearty Public Support

Preston had its beginning 127 years ago, when a family of Pennsylvania farmers, of German descent, arrived in Waterloo township. They came behind a four-horse team driven by an energetic young man named George Clemens, who was possessed of determination to accumulate property by industry.

A number of other families followed most of whom settled within what are now the corporate limits of the thriving manufacturing town of Preston. One of these, John Erb, is given the credit for establishing the village, for he built a grist mill and a saw-mill on the place where Cambridge Mills now stand. Prior to this, settlers in the community had to take their grain to Niagara to be ground.

Between 1826 and 1832 a number of families from England settled in the community. Among these was a bachelor (rumor said that he was a man who had deserted his wife), who came to be known first as Squire Scollick, and then as "old" Squire Scollick. It was this man who named the community after his native Preston, in England.

A Disappointing Will

Squire Scollick prospered, and died at a ripe old age in 1839. Otto Klotz, in his history of Preston in the Prestonian (1886,) which is reprinted among the papers of the Waterloo County Historical Society, tells of the folks gathering to hear the squires' will. It appeared that many had the impression that they would benefit by this document. But the squire's illiterate brother, a day-laborer in Woolwich, England, got the estate.

One of the interesting events in the early history of Preston, as described by Mr. Klotz, was the arrival of an enterprising young German named Jacob Beck, who had invented a peculiar type of waterwheel. He started the first stove factory, and succeeded having salesmen in various parts of Ontario. His means increased rapidly, and two young partners, John Clare and Valentine Wahn aided in this prosperity. The successor of this business is now one of the principal industries of Preston.

About the time Mr. Beck took in his two junior partners, he had arranged with Robert Hunt of the woollen mills to improve his water power by heightening the dam and digging a canal from the dam alongside the Speed River. But a comprehensive scheme Mr. Beck had in mind, could not be carried out. This "grand scheme"—to quote Mr. Klotz—"was nothing less than extending the said canal, crossing King Street and Queen Street, and erecting along the canal a number of factories and mills." The owner of the land required, refused a right of way, or to sell.

Finds Mineral Spring

The mineral springs which give to Preston a strong claim to fame as a health resort, were discovered by Peter Erb, in 1838. He was drilling for salt, but never got it.

An idea of the enterprise of Preston in its early days is obtained from the fact that the village council, in 1864, passed a bylaw, which was approved by the ratepayers, exempting from taxation for ten years all buildings and machinery for manufacturing, erected during that period, provided the power used was not less than ten nominal horsepower, and that no higher assessment than the valuation for 1863, be made upon existing manufacturing establishments. This bylaw subsequently was renewed for another ten years.

In 1875, the council passed, and the ratepayers ratified, bylaws loaning $5,000 and $6.000 to two manufacturers. In 1886, a third bylaw granted a loan to another company. All of these steps to encourage manufacturing, benefited the community. it is said, although one manufacturer so assisted later, was lured to another Western Ontario town by a larger bonus.

Early Railway Project

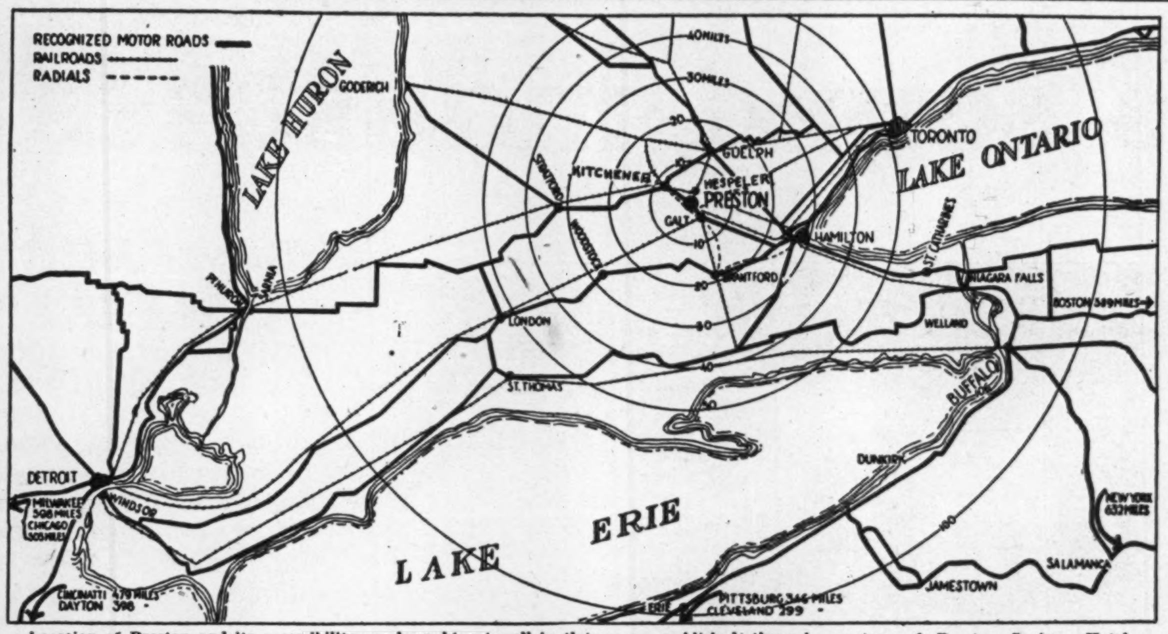
In the middle eighties. Preston, like many another municipality and many a country and province and state, became imbued with the desire to obtain a railway. The Galt and Guelph Railway was projected. Preston, with the town of Guelph, the township of Guelph and the city of Hamilton bought capital stock. Preston's subscription was $40,000.

Canadian directors of the Great Western Railway had agreed to take over and operate the Galt and Guelph railway as soon as built. But the English directorate turned down the proposition after the municipalities and various individuals had committed themselves to large expenditures. The result was that a new agreement. much less fair to the shareholders of the smaller line, was entered into with the Great Western.

The enterprise, by the time the load of debt on its account was lifted from the community, had cost Preston $55.000 (although in 1852 the total assessment was only $13.500) and if it had not been for clergy reserve money, and for the benefits received from the legislature, the position of the village would have been much worse. Otto Klotz, in his history, said that the net benefit of this expenditure was that the railway station was built inside the corporate limits of the village, while it would have been a mile outside, if the village had not spent the sum, which for twenty years was a burden on the taxpayers.

Another evidence that Preston is far from backward, is that its public schools were started in 1841, immediately after the common school act for upper Canada was passed. There were 132 pupils in 1852.

Preston is Convenient to All Big Centres



Location of Preston and its accessibility are brought out well in this map, published through courtesy of Preston Springs Hotel.

Ideal Conditions Exist in Preston for Location of New Industries

Market of Over Three Million People Within Overnight Distance, Which Can be Served With Excellent Transportation Facilities at Low Cost

PRIMARY INDUSTRIAL FACTORS UNEXCELLED

Over Thirty Successful Industries Already Established in City — Markets, Power, Raw Materials and Other Conditions Reviewed

There is one universal yardstick that can be used by all industries to measure the worth of any location, —the yardstick of ultimate profits. In the last analysis this should be the deciding factor. In the boom period immediately preceding the war, many towns "bought" industries. The fate of many of these subsidized industries is only too well known. Sometimes the management had been at fault; lack of capital had also proved the undoing of many promising industries; but it is noticeable that where a company had failed for causes other than those mentioned, it had been to one common basic factor, unsuitability of the factory site.

When location is right, all other conditions being equal, a manufacturer is in a position to compete for the total available trade on equal terms, at least, with his competitors. This factor has been the subject of investigation after investigation. Changing economic conditions result in new rules, but generally speaking, primary factors may be said to devolve themselves under five headings, namely: markets, raw materials, transportation, labor and power. Following up these, there are secondary considerations which should not be overlooked. A few of the more important of these are as follows: climatic requirements, if any; public utilities required; dependency on municipal environment; dependency on municipal laws or ordinances; advertising value of plant; financial aid, in the form of capital, bonus, free site, fixed assessment, etc.

Many Industries in Preston

At present over thirty industrial plants are located in Preston, many of them of national importance. The majority of these have been established within the last twenty-five years. They have been uniformly successful. Their requirements do not differ from those of other companies engaged in the same business and in this review it will be shown why these plants have selected Preston as their location, and the opportunities which the town offers to other manufacturers who are considering this question of a factory site.

Markets, of course, play a predominating part in the final selection of a plant location. Other factors may be extremely favorable, but it is obvious that without a wide distribution, success cannot be achieved. In this regard, Preston offers more than many other towns of its size. Within overnight delivery, there is a population of over three and a quarter millions of people. This may be considered an immediate market. In addition, there is a large population in the West, which can be reached in one to three days. To the East, there are a million people. Moreover, the inhabitants of these three areas have a per capita earning power, which is only surpassed by two other countries in the world. Then again, they are liberal spenders, and in this respect may be said to be second only to the people of the United States.

Abundance of Raw Materials

Raw materials are to be had in abundance and at low cost. Both hard and soft woods are available at low cost. The close proximity to the Great Lakes assures low cost transportation for materials which have to be imported. Wool, foodstuffs and other agricultural products are produced in the immediate neighborhood. All grades of iron and steel can be secured within a short distance. The raw materials of some plants are composed largely of the finished products of other plants. In this case, Preston is within fifty or seventy miles of some of the largest industrial centres of Canada.

Transportation facilities of Preston are excellent. Both the Canadian National and Canadian Pacific serve the town, providing an outlet to every railroad centre in the Dominion, as well as to the lake and sea-board. There is full interswitching between the two roads, while the majority of plants located in Preston are served with sidings. There are many good factory sites still available on sidings. In addition there are daily trucking facilities within a radius of 75 miles, including such places as Toronto, Hamilton, London, Stratford, Brantford, Guelph, Woodstock, Kitchener and intermediate points. Preston is also on the main provincial highway to other cities and towns in the district. This latter item is one of much importance, in view of the growing use of trucks for short-haul distribution.

These exceptional transportation facilities also afford an outlet to waterborne shipping on the Great Lakes and thence to the Atlantic. Hamilton, for example, is only 28

(Continued on page 21)

What Preston Offers

Excellent railway facilities, being on both the Canadian National and Canadian Pacific Railways.

Full interswitching between the two roads.

Many good factory sites in close proximity to both railways, with siding privileges.

Daily trucking facilities within a radius of 75 miles, including such places as Toronto, Hamilton, London, Stratford, Brantford, Guelph, Woodstock, Kitchener and intermediate points.

Abundance of skilled and reliable labor. Contented artisans, most of whom own their homes.

Cheap hydro electric power.

Thoroughly efficient fire protection.

Sound and progressive municipal government.

Unexcelled primary and secondary educational facalities.

Low overhead costs.

Plenty of water, with practically an unlimited supply at low rates.

Suitably located for the development of both domestic and export markets.

Liberal concessions to new industries.

Roll Call of Preston Industry

Successful manufacturers already located in Preston include:

Harold Burke	Shoddy Mill
Canada Last Co. Limited	Shoe Lasts
Canadian Cleveland Fare Box Co. Ltd.	Fare Boxes
Canadian Office & School Furniture Co. Ltd.	Bank Fittings, etc.
Canadian Buffalo Sled Co. Ltd.	Hand Wagons & Sleighs
S. J. Cherry & Sons Ltd.	Flour Mill
Clare Bros. & Co. Ltd.	Stoves, Ranges, Furnaces
Harry F. Delion Ltd.	Confectionery, Ice Cream
James Gillies & Son	Planing Mill
N. O. Hipel Ltd.	Lumber & Saw Mill
Otto Homuth & Sons	Shoddy Mill
The Hurlbut Co. Ltd.	Children's Shoes
Kinzel Bros.	Cement Building Blocks
Kondu Manufacturing Co. Ltd.	Electrical Fittings
Metal Shingle & Siding Co. Ltd.	Sheet Metal Building Materials
W. Nuttall	Cement Building Blocks
Parker Steel Shoes Ltd.	Ladies' Shoes
Michael Petrinka	Woodworking Specialties
Geo. Pattinson & Co. Ltd.	Woolens
Preston Furniture Co. Ltd.	Desks
Preston Woodworking Machinery Co. Ltd.	Machinery
J. F. Rettinger	Chisel Handles
E. B. Salyerds & Sons Ltd.	Hockey Sticks
P. E. Shantz	Foundry
H. W. Steel Shank & Specialty Co.	Steel Shanks, Stampings
Vickerman Bros.	Yarn
E. O. Weber Ltd.	Household Furniture
Werlich Mfg. Co. Ltd.	Boys' Wagons, Novelties
Williams Machines Ltd.	Machinery

Preston's Public Spirit Sign of Steady Progress

Citizens Back of Movement to Provide City With Splendid Recreational Facilities — Public Bodies Aid in Beautifying Homes and Streets

Without public spirit, no town or city can claim progress in the true sense of the word. This spirit manifests itself in many ways, chiefly through business organizations, good municipal government and the promotion of civic welfare through recreational activities, and public improvements. In the town of Preston, there is every evidence of this progress, for its citizens are not only keenly interested in all forms of sport, but are also doing their share toward improving property and making the town more livable.

One of the most pretentious movements in this direction, is the formation of a Riverside park, which has been underway for a number of years, and when completed will give to Preston a community centre, which would do credit to a city many times larger. Riverside Park is an expansion of the old Central Park located in the East end of the city along the banks of the River Speed, covering in all 130 acres. An ambitious plan of development was drawn up by the town architect, Mr. J. H. Mickler and work started in 1921. Much progress has been made since that time, but there still remains a large amount of work to be done before the Park is finally completed.

Survey Work Completed

Up to the present, survey work has been completed, park keeper's cottage and green house erected, and shrubbery, flowers and trees planted. The park contains a splendid athletic field, race course, swimming pool with pure filtered water, and will have soon a pavilion for dancing, refreshments, etc., etc. Long curving drives covering the entire area on the property with rustic bridges over the creeks, with the intersections of the curved drives planted with shrubs and flower beds, is one of the features of the development.

A rather novel method of development is being undertaken in connection with this park. A large piece of land in the centre of it, is being divided into seven sections, one each reserved for the different fraternal lodges in town. Each lodge will erect a small lodge-room in the centre of their plot and plant the balance to flowers, or decorate it any manner which will conform to the general scheme.

Much work remains to be done in Riverside Park, but results to date are decidedly encouraging and although it will likely be some time before the undertaking is completed, it has already proven an attraction to people in the surrounding country and in time will become the centre of all community activities.

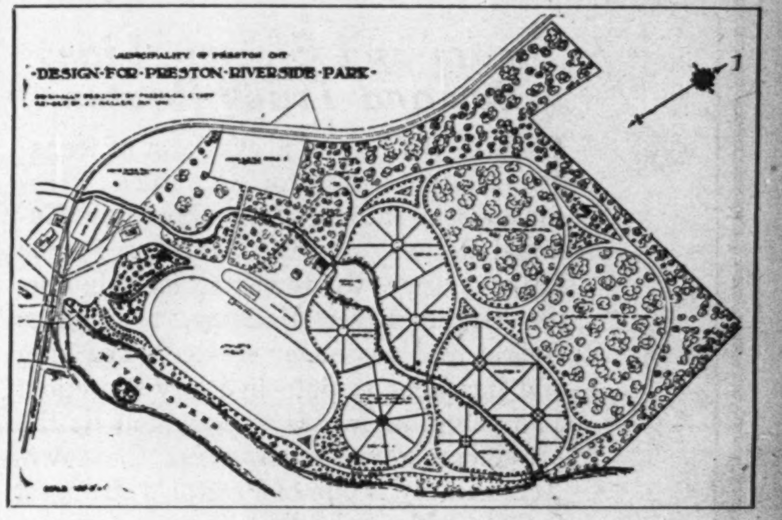
Other Organizations Active

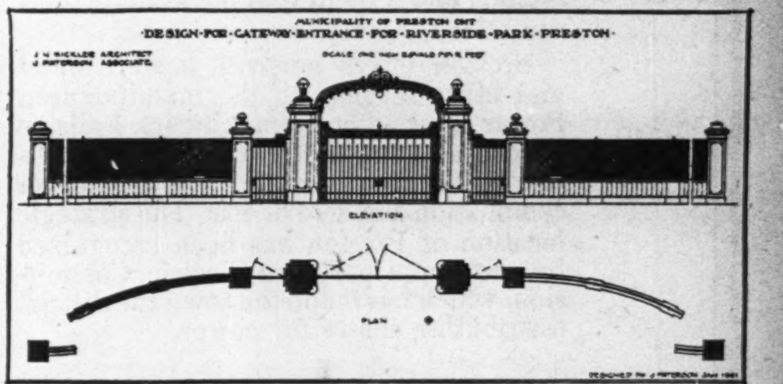
The Local Board of Trade and the Horticultural Society have also been active in doing their part to beautify Preston. There are few finer towns, both from the standpoint of homes and streets, in any other province. Not long ago a joint movement was undertaken by these two civic bodies to interest all the citizens in making a special effort to improve their property. A committee was appointed for each block throughout the town, which called upon each resident in its particular district to support the movement and in general to see that the work was carried out. This undertaking met with success and was accomplished at a comparatively small cost. Consequently, the work was continued and is now a regular feature of the public work undertaken by the local civic organizations.

Athletics Much in Favor

Much support is also given to the different types of athletics; baseball, hockey, tennis, softball, soccer, cricket, are all played by the younger citizens. The older folk have lawn bowling, and, of course, indulge in golf. The golf course is situated halfway between the town and Galt, and is easily reached by motor car or street railway. It has eighteen holes and is of regulation length. Although not a public course, its fees are reasonable and membership is open to citizens of either Galt or Preston.

It will be seen from the foregoing, that the people of Preston are interested in the development and growth of their town. Pleasant surroundings make happy living conditions, and with the advantages which Preston has to offer new industries, it is only a matter of time before the work which they have been and are doing, will result in greatly adding to the population of this growing industrial centre.





J. H. Mickler, Preston architect, has interested himself in the development of Riverside Park and produced these plans. The gate design has since been altered somewhat.

Preston Possesses Three Fine Schools

Several hundred Preston high school pupils attend the Galt Collegiate, which is one of the finest in Ontario and is no farther from Preston than from the east side of Galt itself. The pupils get to and from school easily by highway or by the electric line and are enabled to get home for their lunches, if they wish.

Preston at various times has discussed the desirability of a high school of its own but the citizens have deemed it wiser to continue the present arrangement, in view of the excellence of the Galt institution, and the fact that it would take years to upbuild a school of similar caliber, as regards buildings, equipment and staff. The Galt educational authorities welcome the outside pupils, as the cost is paid jointly by the municipalities in which the pupils live and through county and provincial grants.

Preston has two public and one separate school, all of them modern in building and equipment and well-staffed.

Erect Stone Monument for Waterloo Pioneers

About two miles west of Preston is a splendid monument erected by the Waterloo County Pioneers Memorial Association, in memory of the first settlers in the county. The total height of the monument is about 72 feet. It is located on the first settled farm of inland Western Ontario, and is well worth a visit.

Preston, the Progressive
invites sound industries

NO CITY in Canada is located in a better position for industrial development than Preston, Ontario. Preston now has thirty well-established industries, selling their products all over Canada and in other parts of the world. It seeks a larger industrial development, based upon its undeniable opportunities for manufacturers.

Preston lies in the heart of Western Ontario. There are three and a half million people in Canada alone within a night's run of Preston. Preston is only 2 hours from Toronto, 4½ hours from Buffalo, 5 hours from Detroit, overnight from Chicago, New York, Montreal, Ottawa or North Bay.

Steam and Electric Lines Bus and Truck Routes

IT HAS the best of every form of transportation. Both of Canada's transcontinental railways, the Canadian National Railway and the Canadian Pacific Railway, serve the town; an electric line, the Grand River Railway, also gives freight and passenger service. Trucking and bus lines radiate in every direction. The paved highways, maintained by the provincial government, serve the town. Accessibility is one of Preston's strongest factors, and a point that no manufacturer can afford to overlook.

Preston offers low-cost power, water and other services to the manufacturer. Power is brought from Niagara Falls, is purchased from the provincial hydro system by the local electric light and power commission and sold at cost. The strategic location of Preston has been recognized by the Ontario Hydro-Electric Commission, which has made the town the district distributing centre for power.

Preston is a Fine Town in Which to Live

ONE of the strongest attractions Preston offers to industry is the fact that the town is an excellent community in which to live. This insures contented labor, a full and worth-while life for the executive and his family, and steady growth of population.

Preston has fine parks, good schools, paved streets, beautiful lawns, excellent drinking and mineral waters, the best of hotels, low taxes, a fine climate, good golf, well organized summer and winter sporting activities, free library, live lodges and clubs, and a fine neighborhood and community spirit. All these provide an excellent background for Industrial Preston.

Bring your industry to Preston. Invest your capital in the town. You can do both with assurance and confidence.

Interior of one of Preston's thirty busy factories. Picture was taken in Clare Bros. & Co. factory.

Preston Offers Industry These Advantages—and More

Preston has excellent railway facilities, being on both the C.P.R. and the C.N.R.

Full interswitching between the two roads.

Many good factory sites in close proximity to both roads with siding privileges.

Daily trucking facilities within a radius of 75 miles including such places as Toronto, Hamilton, London, Stratford, Brantford, Guelph, Woodstock, Kitchener and intermediate points.

Preston is on a main provincial highway with excellent street car and bus service to other cities and towns in the district.

Overnight delivery to population of over 3½ millions of people.

Abundance of skilled and reliable labor. Contented artisans most of whom own their homes.

Abundance of cheap Hydro Electric Power.

Preston is suitably located for the development of both domestic and foreign markets.

Thoroughly efficient fire protection.

Manufacturers overhead costs are low in Preston.

The general situation surrounding Preston assures steady and continued growth.

Sound and progressive municipal government.

Unexcelled primary and secondary educational facilities.

The Town Council is always ready to make liberal concessions to new industries.

Members of Town Council

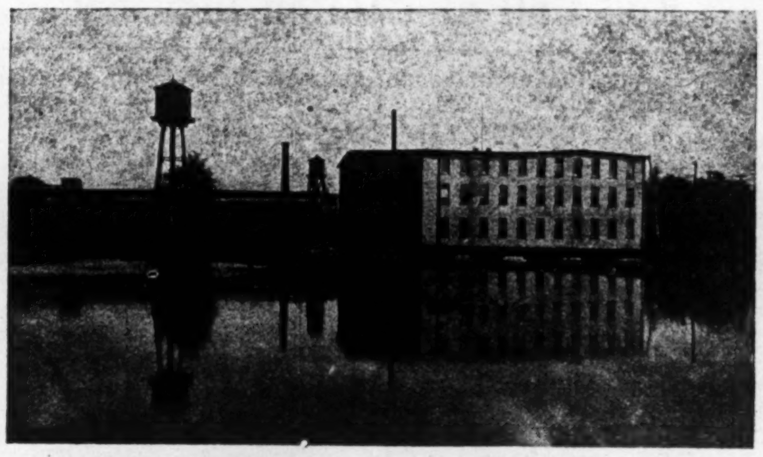
J. M. GILLIES, Mayor

M. M. DONALD, Reeve — F. O. PELZ, Deputy Reeve

J. CLANCY — H. W. STEEL

F. WILLSON — E. G. HEISE

J. LESLIE — C. M. IREDALE



A view of a Preston industry. Plant of Preston Furniture Company.

Good Factory Sites Can be Had Cheaply

THERE are plenty of good factory sites in the town of Preston and a few factories capable of being taken over and utilized for various forms of manufacture.

Preston already has some thirty industrial plants. They manufacture a wide variety of products. Some of the principal products of Preston factories are as follows:

Woollens
Boots and Shoes
Stoves and Furnaces
Gas Ranges
Metal Shingles
Steel Laths
Fire Doors
Toys and Wheel Goods
Sleds
Office and School Desks
Hockey Sticks
Furniture
Machinery
Etc., Etc.

The manufacturers already located in Preston and successfully operating include the following:

Harold Burke
Shoddy Mill

Canada Last Co. Limited
Shoe Lasts

Canadian Cleveland Fare Box Co. Ltd.
Fare Boxes

Canadian Office & School Furniture Co. Ltd.
Bank Fittings, etc.

Canadian Buffalo Sled Co. Ltd.
Hand Wagons & Sleighs

S. J. Cherry & Sons Ltd.
Flour Mill

Clare Bros. & Co. Ltd.
Stoves, Ranges, Furnaces

Harry F. Delion Ltd.
Confectionery, Ice Cream

James Gillies & Son
Planing Mill

N. O. Hipel Ltd.
Lumber & Saw Mill

Otto Homuth & Sons
Shoddy Mill

The Hurlbut Co. Ltd.
Children's Shoes

Kinzel Bros.
Cement Building Blocks

Kondu Manufacturing Co. Ltd.
Electrical Fittings and Never Drip Faucets

Metal Shingle & Siding Co. Ltd.
Sheet Metal Building Materials

W. Nuttall
Cement Building Blocks

Parker Steel Shoes Ltd.
Ladies' Shoes

Michael Petrinka
Woodworking Specialties

Geo. Pattinson & Co. Ltd.
Woollens

Preston Furniture Co. Ltd.
Desks

Preston Woodworking Machinery Co. Ltd.
Machinery

J. F. Rettinger
Chisel Handles

E. B. Salyerds & Sons Ltd.
Hockey Sticks

P. E. Shantz
Foundry

H. W. Steel Shank & Specialty Co.
Steel Shanks, Stampings

Vickerman Bros.
Yarn

E. O. Weber Ltd.
Household Furniture

Werlich Mfg. Co. Ltd.
Boys' Wagons, Novelties

Williams Machines Ltd.
Machinery

Town of Preston, Ontario

Industrial Committee of the Town Council. H. W. STEEL, Chairman

METAL SHINGLE MILL SHIPS ALL OVER THE WORLD

Million Dollar Industry Has Head Office at Preston

BUILT UP BY DOLPH

Plant Has Expanded Rapidly and Changes Its Production to Keep Up With Times

In many different parts of the world products of Preston are found, thanks to the aggressiveness of the Metal Shingle and Siding Company. This is the only industry in Preston rated at over a million dollars by mercantile agencies.

Founded by Cyrus Dolph, who remains the president, the company has expanded very widely and has kept pace with the times, finding new products as time and change have interfered with established markets for old products.

The company has two other factories besides the head office and factory at Preston. These are in Montreal and in Toronto. In the latter city it controls A. B. Ormsby & Co.

Products of the company comprise too wide a range to be easily listed. Metal shingles and siding; metal window sash; metal lath; fire doors; steel rolling doors; corrugated steel products; comprise some of the chief items in the company's fat catalogue.

The company sells chiefly in Eastern Canada, having sold out its western business some time ago. It exports into foreign markets. For instance, a large shipment of products helped to build the Cornerbrook, Newfoundland, paper mill of the Newfoundland Power and Paper Company. The harbor sheds at Auckland, New Zealand, have 100 rolling steel doors, built in the Preston plant of this company.

Recent gigantic construction developments in Canada have helped to keep the plant busy and shipments have been made to Arvida, P.Q., for the new mills of the Aluminum Company of America; to Isle Malignes, P. Q., for the Price Brothers paper mill; to Montreal, for the Montreal Tramways barns and shops and for the new building of the Montreal Gazette; to Iroquois Falls, Ont., for the Abitibi Power and Paper Mills, etc.

The company will shortly put $34,000 of steel sash into the extension of the Coliseum of the Canadian National Exhibition, Toronto.

The Preston plant occupies a site of six acres and comprises:

Stamping plant.
Structural steel plant.
Woodworking plant.
Architectural sheet metal plant.
Steel sash plant.
Fire door plant.
Machine shop.

As mentioned above Cyrus Dolph is president and J. G. Lorriman is secretary-treasurer.

James Gillies and Son Has Low Overhead Costs

Attracted by a large market in the surrounding neighborhood, plenty of power, abundant supplies of raw materials, and low production costs, James Gillies and Son have been operating a lumbering mill in Preston for many years.

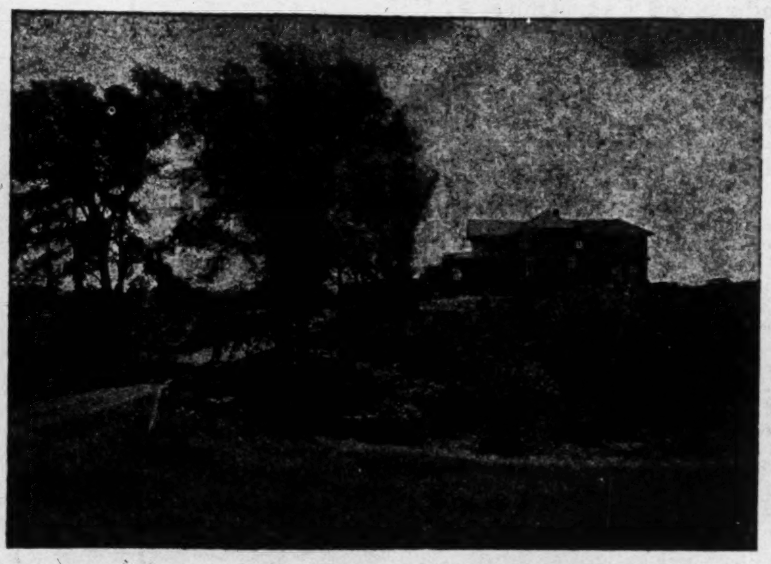
Production covers a wide variety of products, especially doors, sash and interior trims. In addition the company carries on a general coal, wood and cement business, which now supplies a large part of the local trade.

This concern seems bound to grow as this district is noted throughout the country for the quality and quantity of its lumber. Added to this, the low cost of labor in Preston makes it an excellent centre for any industry using wood as its raw material.

Is Distributing Centre

Preston became a distributing centre when the stone road was built through the town between Dundas and Berlin (Kitchener), more than 80 years ago. The building of the Great Western Railway in 1885 also was helpful.

Galt and Preston Share Golf Club



Club house of the Waterloo Golf and Country Club, between Preston and Galt, and where citizens of both cities play the ancient and royal game.

Large Shoe Shank Firm Finds Preston Attractive

H. W. Steel Shank and Specialty Co. Has Experienced Rapid Growth in Past Decade — Now Supplies Practically All of Canadian Shoe Trade

Twelve years ago, a young man in Montreal went about seeking capital for the establishment of a plant to manufacture shoe-shanks, a necessary part which goes into the production of every pair of shoes and without which, the shoe factories in Canada could not operate. Because the shanks had always been ordered in the United States and other countries, it was the concensus of opinion at that time that they could not be profitably manufactured in Canada. Consequently little interest was evinced in the proposition put forward by H. W. Steel. Despite negative results, the young man was not discouraged. He was convinced that the shank could be profitably produced in this country and without backing, he started to manufacture shoe shanks on a small scale in Montreal.

The usual troubles attendant upon the formation of a new company were met with and conquered. Steel's shanks soon became known to the shoe manufacturers: sales increased at a greater rate than production and it became necessary to enlarge the plant in order to assure manufacturers of a steady supply. Property values were high in Montreal at the time and although Steel could have secured money for expansion, he wanted to keep complete control of the industry in his own hands. The first requisite of a plant of this kind, is central location. With this in mind, he looked about for a new site and finally decided upon Preston, from which point his products could be economically distributed to the Quebec and Ontario shoe trade and also to the Western and Maritime provinces.

Supplies Domestic Trade

The move to Preston has been attended with good fortune and the H. W. Steel Shank and Specialty Co., now manufactures 350,000 to 400,000 shanks a week, supplying practically all the requirements of the domestic trade. Plans are under consideration at present for obtaining a wider distribution of this product, which may eventually lead to the development of an important export trade. Meantime Canada shoe manufacturers depend upon this company to supply its requirement of shanks.

Although the shank is an integral part of every shoe, the man in the street has little knowledge of this important article. It resembles a shoe horn more than anything else, being the support between the heel and the sole of the shoe. The shank, of course, varies in size, style, weight, materials, etc. Some are made of fabric supported with wood, but the best type are constructed of leather braced with a thin strip of steel. Only the finest carbon steel is used in this work, which is put through many operations before finally being attached to the leather. During the course of a year, over 300 different patterns, comprising 2,700 styles and sizes, are used by the H. W. Steel Co. This statement gives a comprehensive idea of the intricacy involved in the business of manufacturing shoe shanks.

While much of the work in making shanks is performed by special machinery, attaching the piece of steel to the leather, is done by hand at piece rates. The H. W. Steel Co. have overcome the necessity of employing a large staff to do this work, by "farming" it out to families, in much the same way as is done in England in the cotton and woollen trades. Sometimes, father, mother and children all engage in this work and in time become remarkably adept at it. A family of five, for example, who have had experience in this work, will complete approximately eight thousand shanks a day.

By-Products Are Important

In a highly specialized industry such as this, waste is a bugbear of the management and every scrap is utilized for some purpose. The H. W. Steel Shank and Specialty Co. convert their scrap into shoe horns, roofing headers (a steel piece at the end of tar-paper rolls), wheels, hub caps and undercarriage for children's wagons and kiddy cars. There are several other by-products manufactured, as well as a special road sign holder, which has attracted attention during the past year or two.

Galt Reporter Gives Good Service to Preston

Although having no newspaper of its own, Preston is well supplied in this regard by the Reporter, published in Galt. These two towns are within a couple of miles of each other and similarity of interests eliminates the necessity of having two separate newspapers.

The Reporter is published every evening, except Sunday, and generally runs up to twenty pages in size. It is the only daily published in that territory and serves one of the richest agricultural and industrial districts in the province. In addition to fully covering the news in Galt and Preston, it serves seventeen surrounding towns and villages which have no newspaper.

The paper was established in 1896, first starting as a weekly. Its consistent editorial policy and splendid service given to its readers, has resulted in a healthy growth. The latest report shows a sworn circulation, covering a period of six months, of 4,862.

S. J. Cherry Operates Successful Flour Mill

For over seven decades the Cambridge Rolling Mill of S. J. Cherry and Sons, Ltd., of Preston, has been in continuous operation, except for the occasional shutdown for repairs and overhauling of machinery. This experience, coupled with modern methods of equipment and use of the highest selected grades of Canadian western wheat, has enabled the company to maintain uniformity and quality of products, which has enabled them to operate steadily. In 1918, the concern was taken over by the Standard Milling Co. of Toronto, and is now operated by and forms part of the Standard system of flour mills.

Wheat supplies are received from the West, via Goderich during the summer and all rail during the winter. Proximity of the plant to the lakes and its excellent transportation facilities, enables the plant to receive its wheat requirements at a minimum of cost. The mill itself is equipped with up-to-date machinery and at present has a capacity of about 330 barrels daily. Machinery is operated by electric power which is secured from the local commission at relatively low rates. There is also a large warehouse adjoining the plant, capable of holding 3,000 barrels of flour and 3,000 bags of feed and, in addition, elevator storage for 25,000 bushels of wheat.

The reputation of this mill has been largely built up by the quality of its three brands of flour, namely —Cherry King (for bread), Jersey Lily (a family flour) and Cherry Pride (for pastry). A good demand for these products exists in Ontario, Quebec and the Maritimes, as well as Newfoundland, the West Indies and Europe. There is also an occasional order from South Africa.

Otto Homuth and Sons is Big Shoddy Mill

A rather interesting business at Preston is that of Otto Homuth & Sons. They manufacture woollen shoddies from discarded clothes and have a large production.

In addition to Otto Homuth, his two sons, Karl Homuth, M.P.P., and Harold Homuth are in the business, which has been going since 1911.

Gill "Never Drip" Faucets

FIVE YEAR GUARANTEE

We Guarantee that the GILL NEVER DRIP FAUCET will give reliable and efficient service; that the materials are free from defects, and the workmanship first-class. We agree to furnish new faucets or parts thereof for any Gill Never Drip that may prove defective within five years from date of purchase.

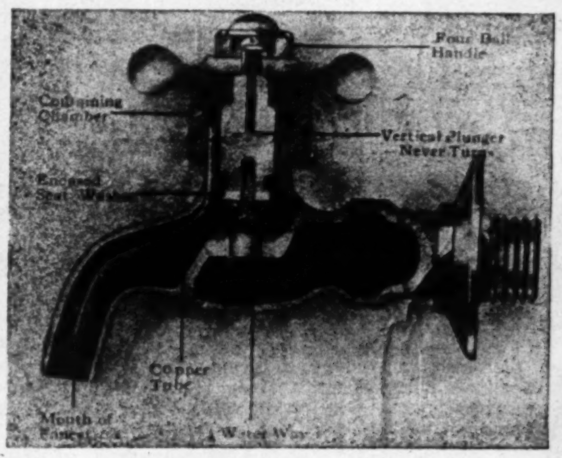
This guarantee does not apply to defects caused by carelessness or abusive wear and practice.

Take out the screw in its side, see the sturdy swivel, the superior quality of the brass, the operating handle with thread outside—not in the water.

It looks as good and is just as active at the end of a lifetime.

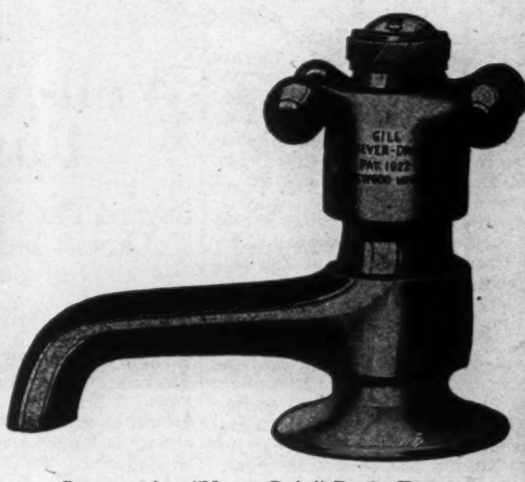
No need of a rag to protect the softest fingers, the slightest touch operates it.

If you have not investigated Gill "NEVER DRIP" Faucets, you owe it to your business to do so without delay.



The Gill "NEVER DRIP" Faucet

A Sensation in Efficiency and Economy, combining Beauty with Engineering Skill and Dependable Quality.



Compression "Never Drip" Basin Faucet.

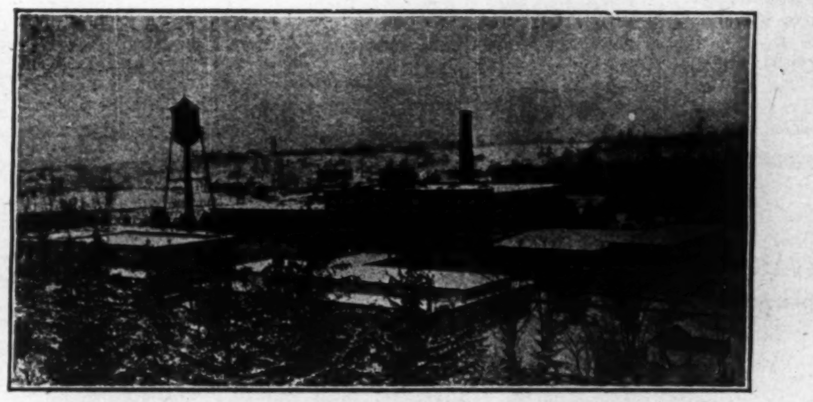
Take up with your jobber or write direct to:—

KONDU MFG. COMPANY LTD.
PRESTON, ONT.

Geo. Pattinson & Co.
Limited

Woolen Manufacturers

Preston, Ontario



Manufacturers of fine woolens for over fifty years

The H. W. Steel Shank & Specialty Co.
Limited

Manufacturers of:

Leatherboard Steel and Combination
McKay Turns and Welt Shanks

All dies and cutters manufactured in our own plant. Shanks are made from shoe manufacturers' own lasts.

Preston, Ont.

WOOLLEN MILL DATES BACK OVER SIXTY YEARS

George Pattinson & Co. Employ 300 Hands at Preston

HAVE EIGHTY LOOMS

Wide Variety of Overcoatings, Tweeds, Etc., Made at Big Factory in Town

One of Preston's largest and oldest industries is the woollen mill operated by George Pattinson & Co. The mill is some 60 years old, its age reflecting the long establishment of woollen weaving as a leading Canadian industry.

The plant has been under several different ownerships and has borne various names within the memory of many of the present employees.

George Pattinson & Co. produce various kinds and grades of woollen cloth, overcoatings, tweeds for women's wear, etc. Some 80 looms are in operation. A carding and spinning plant is operating in connection and this branch of the business is required to operate day and night to feed the looms.

The big growth of the business has come in the past 30 years and at the present time some 300 hands are employed. Some of these employees have been with the company for periods running as high as 50 years.

Most of the power used to operate the looms is hydro power from Niagara Falls, but the mill still continues to use some water power from the Speed River, a procedure that is reminiscent of the early days when this was the sole source of energy. A rather sad memory exists in connection with the mill-race that is part of the water power equipment, for James Crombie, founder of the mill was drowned in this race.

Products of the mill are sold largely to clothing manufacturers throughout Canada. There is no export business; on the contrary, the mill, in common with other woollen mills throughout Canada, has had to meet very serious competition in recent years from foreign woollens imported under low tariffs. That it has been able to sustain a good volume of production is evidence of the good will the company holds among its customers and to its general efficiency.

The company is now directed by George Pattinson, president; F. H. Pattinson, vice-president and Thomas Hepburn, director. George A. Roos, is secretary-treasurer.

Kondu Manufacturing Co. Records Steady Growth

The Kondu Manufacturing Co., represents one of the smaller industries in Preston which has been growing steadily since its inception. Originally formed as the Kirkwood Manufacturing Co., Ltd., the company changed its name a short time back to comply with changed conditions.

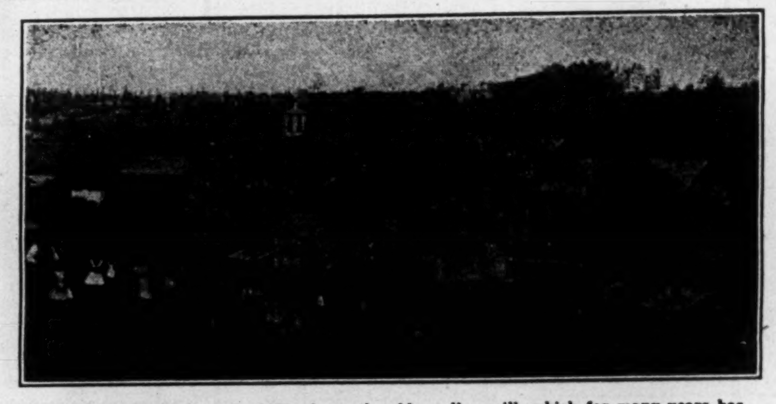
While the company engages in the manufacture of several products made from metals, its reputation and growth has been achieved as the result of the popularity and demand for its high grade faucets. This is a special type which has been carefully developed and the company's claim that it "never drips" is backed up by a five-year guarantee that it will replace any faucet or parts thereof which prove defective.

Demand for the other metal products of the company, have allowed of operations on a fairly extensive scale. The success of this company goes to show the advantage which Preston has to offer to metal-using industries, which require low operating costs and wide distribution of products.

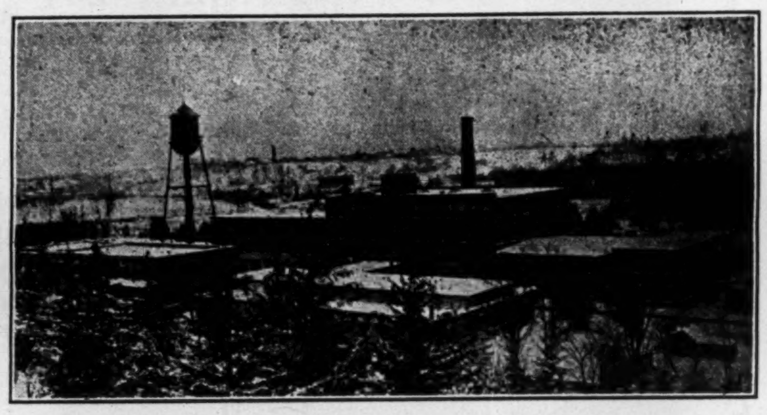
Preston's First Reeve

Preston's first reeve was Jacob Hespeler, in 1852; the first mayor was Jacob Homuth (1898-9), and the first elected mayor was George Clare (1900-01).

55 Years Ago, and Now, in Preston



This photograph, taken in 1872, shows the old woollen mill, which for many years has been one of the leading industries of the town of Preston. As the photograph below shows the industry has greatly outgrown its original size and importance.



The woollen mill is now operated by George Pattinson and Sons. It has about 80 looms and manufactures overcoatings and other tweed materials.

Well-Known Stoves and Furnaces Preston-Made

Started Ten Years Before Confederation, Clare Bros. Now Largest Industry in Preston—Branches in All Parts of Country — Over 400 Men Employed

Ten years before Confederation, John Clare and a man named Beck, formed a partnership to carry on the business of an iron foundry in the town of Preston. It was not unlike hundreds of other small foundries existing in Upper and Lower Canada in those days. Production was limited to the demands of the surrounding territory. National markets were then unknown; selling was done at the foundry; mass production, overhead costs and other points which give the business man of to-day many a sleepless night, did not bother these young ironmasters. They were content to operate in a small way. It is told how John Clare and his partner would carry water by hand from the nearby creek, when the furnace was lit, and then pray that water would hold out, and that the boiler would not blow up before their job was completed.

Aim for Quality Products

That the quality of their products was out of the ordinary run in those days, is judged by the fact that the company steadily grew in size, adding a new line as conditions warranted. In time, Beck retired from the business and since then John Clare or his descendants have been in control. With the passing of time, came a consolidation of efforts, stoves and furnaces of all descriptions becoming the principal products of the foundries. Around the original small stone building, additions have been added to from time to time, until the plant now covers an area of over two acres. Modern machinery has been installed; an electric crane erected and other labor saving devices put in use. The working force was gradually increased till at present over 400 men are employed.

Nation-Wide in Scope

Twenty years ago, the company branched out into a national organization. Orders for their stoves and furnaces were coming in from all over the Dominion. The Prairie Provinces, which were then undergoing a period of great transition was an especially fruitful market, and in 1907 a branch warehouse was opened in Winnipeg to supply the Western trade. Then came Montreal and Truro. Continued expansion necessitated the opening of branch offices in Calgary, Edmonton, Vancouver, Hamilton, while there is hardly a city or town of any importance in the Dominion which has not got an authorized agent for Clare Bros'. stoves and furnaces.

At the same time, marked changes have come over the quality and appearance of the products manufactured. The old, reliable Quebec heater, has given way to beautiful enamelled nickel gas and electric ranges. Warm air furnaces were introduced to the trade and hot water boilers, radiators, agricultural boilers, coal chutes, have been added to the list of manufactured products. Altogether some 40 types of stoves—combination gas coal, electric, etc—in four sizes and a dozen different finishes, are being produced.

Their products are probably better known under their trade names than by that of Clare Bros. products. Hecla, Success, Jewel are names associated with gas ranges: Peninsula and Jewel with wood and coal burning stoves: Imperial and Crusader are the names given to water boilers. while Hydro-Thermic radiators are recognized as a standard product. The company has many other trade names for its products, which, while not so well known, are nevertheless rated as high for quality and workmanship as their other products.

The Company has not been especially active in the export field. Newfoundland, England and a few of the other British possessions know the value of these products, but over a period of years the company has found the domestic market to be more profitable and consequently have largely confined their efforts to obtaining a wider distribution of their products within the Dominion rather than endeavoring to build up an export market in a competitive field. The soundness of this policy is to be seen in the present modern stove and furnace plant, which is said to be one of the largest, if not the largest, of its kind in Canada.

SCHOOL SUPPLIES MADE IN PRESTON

Products of Can. Office and School Furniture Co. Widely Used

Twenty-five years ago, the Canadian Office and School Furniture Co. was organized in Preston, with an authorized capitalization of $100,000. As its name implies, it was founded for the purpose of manufacturing office and school furniture or equipment. It the first few years of its existence, operations were devoted almost exclusively to the manufacture of school desks, chairs, wall boards, and other school furniture. As business expanded, other lines were taken on and to-day the company produces general office equipment and also specializes in woodwork for bank interiors. In this latter connection, it is interesting to note that over 1,500 banks in Canada have been equipped with furniture produced by this Preston concern.

A Local Organization

Like many of the other Preston industries, the Canadian Office and School Furniture Co. is a local organization, founded by a local man and financed with local capital. Formation of the company was due to the foresight of W. Stahlschmidt, who at that time, was the principal of the public school. School equipment at the beginning of the present Century was neither extensive nor so elaborate as it is to-day. Long wooden benches with straight board backs, which were neither conducive to comfort or study; were considered good enough in those days. Stahlschmidt, however, with considerable foresight, realized that the day was not far distant, when more elaborate school furnishings would be the general rule and that a company specializing in this work would be a profitable undertaking.

His course of action has been fully vindicated, the present concern being not only a pioneer, but one of the largest operating in this field. Its school equipment is to be found in the majority of Canadian educational institutions, as well as in Newfoundland, the West Indies and other countries. The present trade has been built up solely on the merits and quality of the products manufactured.

Town is on Well-Paved Algonquin Highway

Preston is situated on The Algonquin Trail, one of the prettiest motor trips in Ontario. Having admittedly the finest hotel accommodation in Western Ontario, it is a logical stopping-off place for tourists who are taking in the Algonquin Train.

The scenery around Preston is delightful and the good gravel and paved roads which radiate out from the town, afford motorists every opportunity of viewing this beautiful part of Ontario.

There are many interesting spots within a few miles of Preston, which the motor tourist will wish to visit.

PRESTON DESKS FOR THE HIGHER EXECUTIVE

THE RIGHT ATMOSPHERE IN YOUR PRIVATE OFFICE IS VERY IMPORTANT.

Preston Furniture Co., Limited, have for a great many years designed and manufactured distinctive matched office suites, desks and office tables, also a line of commercial desks.

COMMERCIAL LINES
PRESTON "LINO" TOP DESKS
"PRESTON-GLIDE" CENTRE DROP
TYPEWRITER DESK DE LUXE

Preston Furniture Company
Limited — Preston, Ontario

THE OLDEST EXCLUSIVE MANUFACTURER OF BETTER OFFICE DESKS AND TABLES

R. L. SAVAGE, President

H. STEEL, Vice-President

Parker-Steel Shoes, Limited

Manufacturers of

Women's McKay Shoes

PRESTON - ONTARIO

Throughout the farming districts of Eastern Canada, the word "Preston" stands for the utmost value in Sheet Metal Building Materials, and allied products. There are few farmers who have not used or heard favorably of:

Preston Safe Lock Shingles
Preston Steel Truss Barns
Preston Steel Ceilings
Preston Corrugated Iron and "Rib Roll" Roofing
Preston Galvanized Tanks
Preston Ventilators
Preston Barn Door Hardware
Preston Eavetrough and Conductor Pipe
Preston Implement Buildings
Preston Portable Garages

The above products have been manufactured by us in Preston for the past 35 years, and we are the leading Canadian producers in our line.
We also manufacture a big line of Fireproofing Materials including:

"Economy" Double Mesh Metal Lath
Ormsby-Lupton Steel Sash
Ormsby Rolling Steel Doors
Ormsby-Swartwout Ventilators
Kalameined Doors
Tin Clad Fire Doors, etc.

Write for prices and catalogues.

The Metal Shingle & Siding Co. Limited
Associated with The A. B. Ormsby Co. Limited
PRESTON
MONTREAL - TORONTO

Famous Waters of Preston Bring Health and Strength

Where Health is Found at Preston

A natural beauty spot in the grounds of Preston Springs Hotel.

Fine Hotel Accommodation for Guests and Patients

BEST CLINICAL METHOD

Hydro-Therapeutic Treatments Given in Surroundings That Insure Early Return to Health

There is the best authority for an interesting story that concerns Preston's famous springs.

A wealthy citizen of Kitchener, which is only a few miles from Preston, searched the spas and watering places of Europe for water that would give him relief from his physical ills. After taking treatment in Austria he found himself somewhat improved, but felt the need of getting back to Canada to attend to his business. He asked the doctor in charge of his treatments "Is there any way that I could take these treatments without coming to Europe. Is there any place on the other side of the world where I could be looked after?"

"Yes, there is," the doctor frankly replied. "There is a little place in Canada called Preston Springs. The waters there are even better than anything we have here for your case."

The Kitchener man had been in Preston times without number, yet he had crossed the ocean to find waters less valuable to him than the waters in the neighboring town.

Now are Well-Known

However the number of Canadians who pass up Preston Springs and go to Europe to take hydro-therapy treatments is much less than it used to be. The fame of Preston Springs is growing and justly so. There is no more modern clinical work anywhere in the world than is carried on at Preston Springs; no more uptodate hotels and no more convenient, beautiful surroundings.

The location of Preston Springs is in the heart of one of the most thickly populated parts of Canada, yet far enough from the larger cities to ensure the pure air, rest and change which are so desirable for those taking the cure.

Are Several Fine Hotels

Several fine hotels and lodges at Preston give access to the waters and the largest is in the Preston Springs Hotel, which is locally controlled and is in charge of doctors of international standing. The modern equipment for medical, surgical and therapeutic work exists. The Kress House is another well established hotel. Braeside Lodge is a large and comfortable private hotel.

The beneficial value of the waters at Preston has long been established. A chemical analysis shows the following elements:

	Grains per gal.
Sulphate of Sodium	2.62
Sulphate of Potassium	.50
Sulphate of Calcium	74.24
Sulphate of Magnesium	5.13
Carbonate of Magnesium	18.65
Carbonate of Iron	.43
Chloride of Sodium	2.42
Silica of Alumina	3.50
Free Ammonia	.01
Organic Ammonia	.004
Carbonic Acid Gas	10.72

Temperature, 45 Farh.

Like Famous Austrian Waters

A careful study of the qualities peculiar to each of these elements in their relation to the human body explains the wonderfully beneficial properties of the waters. The elements are combined so as to make an ideal water for drinking or bathing and are said to resemble the waters of the famous hot springs of Teplitz in Austria.

The springs are of the sulphated-sulphuretted-alkaline-saline type. In addition to the chemical analysis shown above, radium emanations have been proven through tests. The water is clear and cold, giving off a slight odor of sulphuretted hydrogen. One notices a somewhat acrid taste, due to the presence of magnesium and sodium sulphate, but this is by no means unpleasant. Indeed many guests prefer the spring water to that ordinarily served in the dining room, and this preference is easily indulged.

While general use of the waters results in a marked improvement in health and vitality, the maximum results are obtained by following carefully and exactly the treatment prescribed by physicians with expert knowledge of methods employed at modern spas, for the relief of the various diseases for which these waters have proven beneficial. Constipation, arthritis, rheumatism, under nutrition and gout are but a few of the ailments which can be readily relieved by drinking the waters at the advice of competent physicians.

At Preston there is a complete change of environment, with freedom from work and worry, healthful surroundings, genial companionship, rest, quietness, recreation and exercise—all of which, combined with the well-known effect of the waters and baths, secures results not otherwise obtainable.

It is well to remember that the waters of the springs, like those of other famous spas, are not a cure-all. Like other forms of theranv, they have their own particular field. Because of their wonderful effect on certain basic principles of health, their range of usefulness is very wide. When taken under medical guidance, thev will prove a very strong factor in the relief and cure of various bodilv ills. One could scarcelv find a more pleasant method of toning up the general health.

Makers of Fine Office Furniture for 71 Years

Preston Furniture Co. Has Specialized in One Line Since 1856—Wide Distribution for Products Throughout Canada—Addition to Plant Now Underway

Specialists in the manufacture of fine office furniture for seventy-one years, is the record set up by the Preston Furniture Co. Founded in 1856 by a newly arrived citizen by name of Guggisberg, the concern operated on a small scale for many years. At the beginning of the present century, control passed to Frank Moss and in 1919, ownership again changed hands, this time to P. R. Hilborn, who had just been demobilized from the Canadian Army.

Availability of abundant hardwoods, together with adequate power and good transportation facilities, were the primary inducements for the establishment of this industry. From the very beginning, the policy was laid down that all products of the company should in themselves set a standard for fine workmanship. Succeeding changes in management saw no change in this policy and its reputation today as a manufacturer of superior office furniture is unquestioned.

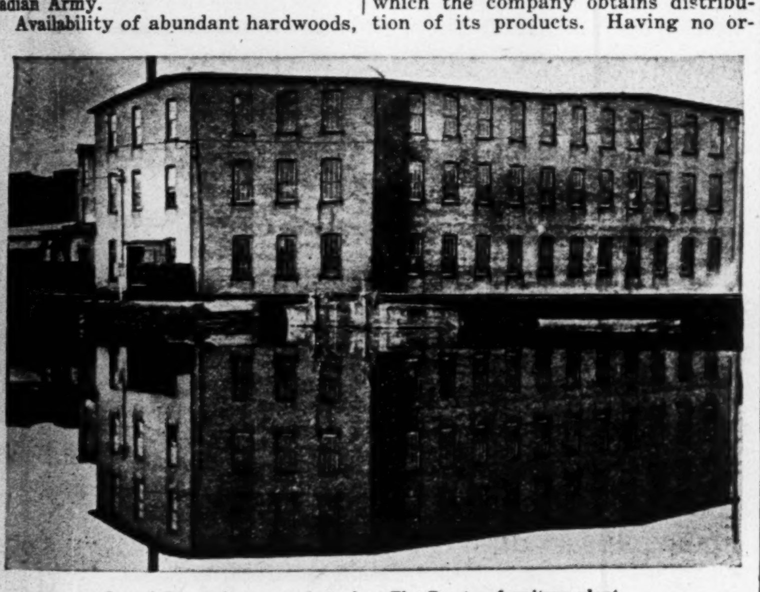
Native Woods Used

Native woods were largely used in manufacturing for a great many years, but changes in design and the demand for elaborate equipment caused the importation of certain hardwoods unobtainable in Canada, such as mahogany, walnut, etc., although by far the largest percentage of woods used are those grown in this country.

Unusual Sales Policy

While the products of the company are known to the trade all over Canada, the public generally are not familiar with the name of the Preston Furniture Co., owing to the methods of salesmanship in force, through which the company obtains distribution of its products. Having no organization through which its products can be sold direct to the consumer, the company has developed valuable connections with some of the largest equipment houses in Montreal, Vancouver, Toronto, Winnipeg and other cities. These companies handle the product of the Preston Furniture Co., under their own trade names as a rule.

Since 1919, when Mr. Holborn took over active management, the company has made steady progress, and demand in the past two or three years has outstripped production, with the result that preparations are being made to construct a four story addition, which will enable the output to be stepped up to a point where it will meet requirements of the trade.



One of Preston's twenty factories—The Preston furniture plant.

Braeside Lodge Sanatorium
Limited

Braeside Lodge is a delightful and homelike Sanatorium for those needing change, rest and care, with the marvellous tonic air of Preston.

The Lodge is a modern, steam-heated building, equipped with every convenience for the comfort of its patients, and located in the most delightful surroundings. It is fully equipped for treatments in hydrotherapy, electric therapeutics, sun lamps and massage, and has trained nurses in attendance, with consulting doctors ready if required to supplement the instructions of the patient's own doctor.

In every way it is a delightful resort for rest and recuperation.

Preston — Ontario

P.O. Box 500

MISS SOPHIA L. J. ROBB,
Superintendent.

One of Preston's Numerous Recreations

Riding is another popular Preston sport and there is a riding stable in town.

IDEAL CONDITIONS EXIST IN PRESTON FOR NEW INDUSTRIES

(Continued from page 17)

miles distant. This is a regular port for practically all Canadian steamships, and many of the American lines operating on the Great Lakes, between Port Arthur, Fort William, Duluth, Superior, Detroit, Montreal and other ports.

Labor Supply Adequate

No site for a factory is a desirable one, unless a sufficient supply of the kind of labor needed by the industry is available in the neighborhood, or can be attracted to the locality: otherwise there is but little assurance of success. Perhaps the labor factor has caused more factories to relocate than any other one consideration. Preston is particularly fortunate in this regard. There is an abundance of skilled and reliable labor. Many of the workmen own their own homes. Moreover, when additional labor is needed, a call can always be sent in to the larger labor bureaux in Toronto, London, Hamilton and other cities. Coupled with this is the low cost of living; all of which results in happy employees.

All the companies maintain the most cordial relations with their employees. Recreational facilities are provided through the town management, which have had an important bearing in avoidance of labor disturbances, usually to be found in the more populous centres. Thus, Preston workers live, are housed and have recreational facilities of such a nature that they are made happv in their surroundings. They can afford comfortable houses at reasonable prices, educational facilities for their children are excellent, and the city itself is very attractive.

Abundance of Power

In the matter of power, Preston has more to offer than probably any other city of its size. Before the days of steam and electricity, practically all industries requiring power, sought water power when choosing a factory site. The development of Hydro Electricity has eliminated that necessity, and Preston can offer industrials plenty of power at a price which can compare with any other town on the continent.

Water Supply Unlimited

Water is also an important consideration for some industries. The splendid artesian wells developed by the municipality assure a good supply of ordinary and sulphur water. The pump house is of most modern construction and is amply protected against breakdowns by the installation of three distinct types of pumping equipment.

It will be seen from the foregoing that the advantages which Preston offers in the way of primary factors for the location of a factory, are second to none. Its secondary factors, such as climatic conditions, municipal government, assessment, aids, etc., will be found to compare favorably with those offered elsewhere. Preston is steadily growing, for its industrial structure is built on a firm foundation and the success of established plants is ample proof that primary conditions are eminently satis-

HURLBUT CUSHION-SOLE Shoes for Children

Protect the Growing Foot

Trained salespeople will fit the child with a pair of these comfortable, long wearing shoes. Shaped to allow the foot ample room to grow, they have a cushion inner sole to protect the tender foot. And since they have been known to out-last two ordinary pairs of shoes, "Hurlbuts" prove most economical in the long run. 12

Sold and Recommended by
Hurlbut Authorized Agents throughout Canada.

The MONARCH Line

An All Canadian Product

The products of the "Monarch" line have established a quality standard that sets them apart from any competition.

For many years the Canadian Buffalo Sled Company, Limited, have been manufacturing a line of coaster waggon, steel and wooden sleds, auto carts, children's bicycles, scooters, sulkies and baby cutters, and other lines such as lawn settees, wheel barrows, snow shovels and game boards that have set a standard for goods of the kind.

The company has been consistently endeavoring to better their own products, and recent developments, fully covered by patents, have added the last refinements of frictionless roller bearings and oilless bearings, that make these products unbeatable in their own field.

They are produced in a splendid plant, equipped with the most modern machinery and governed by a forward-looking policy that assures that the products of the Canadian Buffalo Sled Company will always maintain the high reputation that they enjoy at the present time.

The Canadian Buffalo Sled Company, Limited

Preston - - Ontario

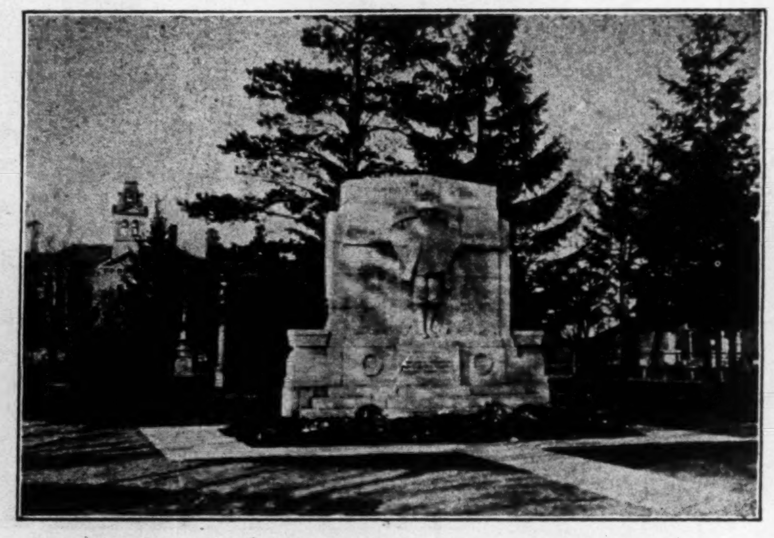
S. J. Cherry & Sons, Limited

Preston, Ontario

For over seventy years the Cherry Mill has been successfully operating in Preston. This experience, coupled with the most modern methods of equipment and use of the highest selected grades of Canadian Western Wheat, has enabled us to always maintain uniformity and quality unexcelled.

Cherry's King for Bread | *Jersey Lily* Family Flour | *Cherry's Pride* for Pastry

The Prettiest Town in Canada *welcomes home-seekers and* TOURISTS



The Beautiful War Memorial at Preston, Ont.

NO town in Canada welcomes, each year, more distinguished visitors and tourists than does Preston.

People come to Preston because it is Canada's most beautiful town. They come to seek rest, health, recreation.

The fame of Preston and its wonderful springs is world wide. Preston ranks, in the reputation of its waters and the beauty of its parks and streets and gardens, with many of the famous watering places and spas of Europe. There is no prettier, more restful spot in Canada to come for a visit; there is no more comfortable place to make one's home.

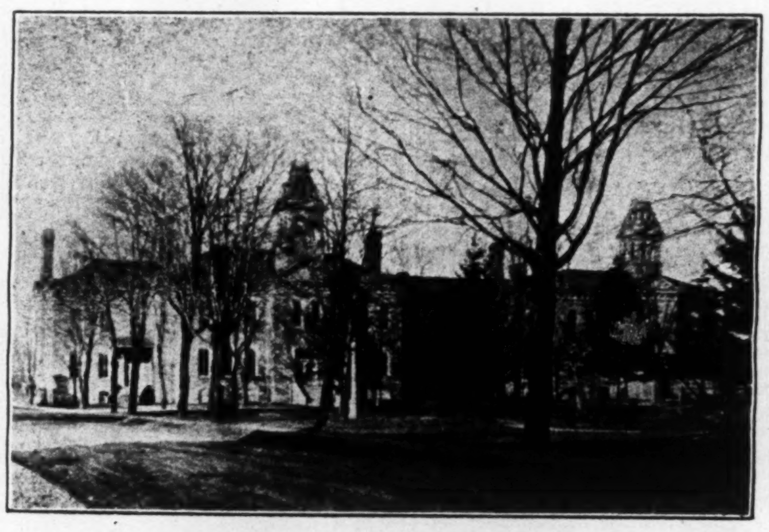
The mineral springs of Preston have for many years been widely known to medical men. They contain properties peculiarly beneficial to the human body, whether taken internally or in the form of baths. Several hotels and lodges at Preston Springs offer to the health seeker the most comfortable, home-like surroundings while undergoing treatment. Eminent physicians prescribe the necessary courses of treatment.

But Preston Springs is not a place only for the rundown or invalid. It is a wonderful tourist resort for the man or woman of sound health seeking rest or change.

At Preston, sporting activities reach a peak. In hockey and baseball the town has always been a leader, turning out many championship teams. There is fine golf on a beautiful course just out of town. Riding, fishing, boating are all indulged in.

Preston is justly proud of its fine Riverside Park. Laid out by capable and artistic landscape artists, it is gradually assuming perfection in form and growth. Bathing, boating, tennis, bowling, dancing, and all other sporting and recreational activities are carried on.

In Preston, schools and churches keep pace with the growth of the town. The stores are progressive and the banks are modern and able to give every accommodation.



Central School, Preston's Largest

There is a Carnegie library in a fine building.

Streets and lawns are well laid out. Under the leadership of the horticultural society, well trimmed gardens exist in abundance.

Preston is a most convenient town to reach. It is two hours by motor from Toronto and only an hour from Hamilton. It is handy to all the big cities between Montreal and New York in the East, and Chicago in the West. Paved highways, steam and electric railways and bus lines give the town ready accessibility.

Citizen clubs and lodges are all progressive. The board of trade has over 100 members and is active in all civic works. There is a business men's club. Most of the lodges are represented.

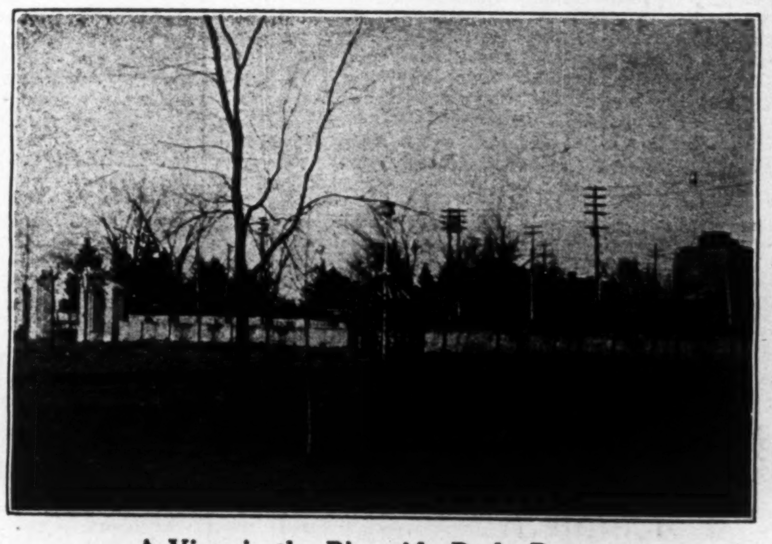
The Preston Silver Band has for many years had a wide-spread reputation and has won prizes in many tournaments.

Civic government is keen and progressive. Improvements are constantly made to keep the town in the van of municipal progress; the fire and police departments are efficient and full strength; hospital accommodation is not excelled anywhere and in hotels Preston is the best equipped town in all Canada.

For a town to live in or for a place to visit there is no peer of Preston.

Preston is situated on The Algonquin Trail, one of the prettiest motor trips in Ontario. Having admittedly the finest hotel accommodation in Western Ontario, it is a logical stopping-off place for tourists who are taking in the Algonquin Trail.

The scenery around Preston is delightful and the good gravel and paved roads which radiate out from the town, afford motorists every opportunity of viewing this beautiful part of Ontario. There are many interesting spots within a few miles of Preston, which the motor tourist will wish to visit. These include Cressman's Woods; Puslinch Lake; Elora Rocks; Chicopee Heights and the Doon Pinnacle.



A View in the Riverside Park, Preston

Town of Preston, Ontario

Board of Trade, B. W. ZIEMANN, *President*

TOY WAGON AND SLED CREATIONS DELIGHT KIDDIES

Preston Plant Turns Out Fine Wooden Toys

IS NOW EXPANDING

Demand for Products of Canadian Buffalo Sled Company Makes Extension Necessary

The hearts of thousands of Canadian children are gladdened each year by the products of one of the busiest of Preston's factories.

Coaster wagons, sleds, tricycles, kiddie-koops, etc., are made in the plant of Canadian Buffalo Sled Company.

This company was originally a subsidiary of the Buffalo Sled Company, of Buffalo, N.Y. Now it is entirely Canadian owned. W. B. Ewald, of Preston, is the president.

The plant sells its products in every part of Canada and an immense turnover is shown each year. The variety of products is really amazing and the wagons and sleds turned out for the youngsters of the land incorporate many features and improvements that bring envy to the hearts of grown-ups who knew no such fine playthings in the days of their own youth.

In addition to these products, lawnswings, settees, etc., are made.

There are about 80 employees in the plant. Most of the work is done by machinery. Wheels are stamped out by machinery. Painting is done by machinery. Even nails and screws are put in by mechanical effort.

Started in 1911, the plant has shown steady growth and it has been found necessary to enlarge even the present commodious plant. A large addition is planned and will shortly be built.

PRESTON HAS NO WATER AND HYDRO POWER PROBLEMS

Present Facilities Capable of Handling Much Greater Load

Extension of the Ontario hydro power system, radiating from Queenston, has given an added importance to Ontario towns from the standpoint of manufacturing. In this regard, Preston is especially well supplied, having at present some 2,500 horsepower at its disposal, of which over half is in use. Two years back, the hydro station was completely overhauled, a new transformer and switchboard installed and it is estimated that the present load can be increased fifty per cent. without additional equipment or extension being necessary.

Industry Large User

Manufacturing activities, of course, utilize most of the available power: sixty per cent. is devoted to this need. The majority of the industrial plants are operating exclusively on hydro power, and Clare Bros., one of the largest industries in the town, boasts of being the first manufacturing plant in Ontario to discard steam equipment and operate entirely on electricity.

Commercial and residential demand for power, is well illustrated by the fact that every house in the town of Preston is equipped with electric lighting. This is a record that few towns or cities in Canada can equal. Moreover, Preston is unique in that no natural or artificial gas is used. Consequently a number of homes are equipped with electric ranges for cooking and heating purposes. The last survey of electric installations, conducted by the Commission, shows over 450 ranges in use—practically one in every four homes.

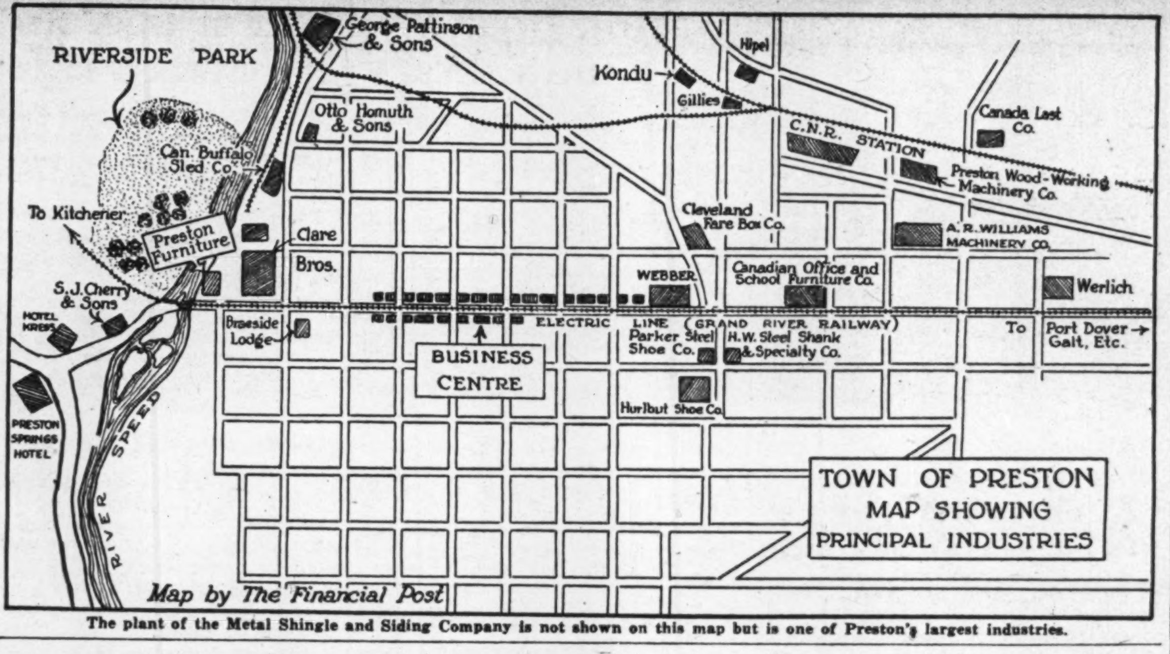
Adequate Water Supply

Preston's water supply is also adequate, the town being supplied from artesian wells. In order to avoid the numerous sulphur springs which are to be found a short distance under the ground, drilling was carried to a depth of 180 feet, which ensures a good supply of clean water uncontaminated by any mineral. At present about three quarters of the water pumped is running away, so that an available supply is sufficient to meet the needs of a community three or four times the present size of Preston, without the necessity of installing additional water mains or other equipment.

The pumping house is built along the modern lines, equipment consisting of steam, gas and electric engines, so that a constant supply of water is assured at all times. Water mains, hydrants, etc., are more extensive than present demand justifies. This does not mean that extravagance has characterized the installation of the water system. Operations are carried along most economical lines. Each house is furnished with a water meter and the Commission is able at all times to check up on consumption and to see that the water is not being wasted.

Public Utility Commission

Both the water and hydro electric systems are controlled by a commission, which has complete authority over rates and other matters appertaining to these two departments. The governing body is elected by popular vote and the members are in power for two years. At present, Mr. Hilborn is chairman. On the whole, Preston is exceptionally well-equipped with these two essentials.



The plant of the Metal Shingle and Siding Company is not shown on this map but is one of Preston's largest industries.

Famous Shoe Company Operates in Preston

Hurlbut Shoe Co., Makers of Children's Fine Footwear, Have Been Established in Town for Many Years—Production Around 180,000 to 200,000 Pairs a Year

Specialization has been the creed of business in the past decade, necessitated by the growth of mass production, lower costs and severe competition. As a result, concerns that were once manufacturing a number of widely diversified products, have consolidated their activities and gone in for two or three products upon which the success of the company has been based. Not all companies, however, have followed this course and in the history and activities of the Hurlbut Shoe Company, one sees specialization brought about intentionally or unintentionally by the founder of the business.

Around about 1900, the father of Clayton Hurlbut, present head of the company, was a shoe retailer in the city of Toronto. In his dealings with the public, the elder Hurlbut was impressed with the need for a distinctive style of children's and growing girls' footwear. In his spare time, he produced these articles on a small scale. Demand for his shoes became so great that he started a small factory. For a time output kept up with consumption, but soon the need for a larger plant became apparent and in 1907, the Hurlbut Shoe Co. moved to Preston.

Move to Preston

This move was not made without much forethought. Breaking away from the large industrial cities in those days was considered little short of suicidal. It was believed that only in the populous centres could labor requirements be fully met; distribution secured for output and sales costs cut to a minimum. The fallacy of this policy is now everywhere recognized, but it is to the credit of the senior Hurlbut that he made the break, for results have amply proven the wisdom of his move.

Built Up Reputation

The reputation of Hurlbut shoes became provincially and then nationally known. Hurlbut and Pussyfoot shoes became synonymous for the best in childern's footwear. A splendid sales organization was built up; care taken to see that only responsible dealers handled their products; a standard price was set; and in 1915 demand had become so great that a new plant was erected, embodying the latest features in factory construction known at that time. Further extensions to the plant and equipment were made in 1922 and at present floor space occupied totals 50,000 square feet.

The aim of the Hurlbut Shoe Co. has always been to turn out a quality product, irrespective of demand. This limits the market for Hurlbut shoes. but their reputation is so solidly built that consumption goes on apace. Some idea of the demand for the company's shoes may be gleaned from the fact that the company now has an outlet for between 180.000 and 200,000 pairs of shoes per annum.

Install Labor-Saving Devices

In order to keep up production, the company has in its factory, the finest shoe manufacturing equipment that can be secured, which not only gives them volume but also enables them to stock sixty distinct lines of shoes, in all styles, for the convenience of the trade. A feature of their equipment, and one which is not duplicated in any shoe plant in Canada, is a conveyor system in the lasting, bottoming and finishing department. This innovation makes it possible for the company to cleat materials from the department in two days, where formerly it took nine days. Moreover, the company is able to operate with two-thirds less lasts.

Dividend Only Passed Once

Although nationally-known, the Hurlbut Shoe Company is a purely local organization; all the capital stock being held by citizens of Preston. Plant and other capital requirements have been met locally and it stands to the credit of the officers of the company in that over a period of twenty-five years, dividend has only been passed once and that in 1923—one of the worst trade depressions experienced in many years.

Silver Band Gives Fine Advertising to Preston

By H. VERNE MARSHALL.

The present Preston Silver Band, was formed some 25 years since with Jake Hallman, now of Kitchener, as bandmaster. Prior to this, for many years, there existed several musical organizations, one at least of which attained prize-winning fame.

About 40 years ago, under Walter Hulme, a very fine all brass band became justly celebrated, and held a very high place at many band contests in various places in Ontario. Some of our older residents speak of even earlier bands, going back sixty years or more. In those days band enthusiasts regarded their band affiliations with the greatest pride and seriousness. Members paid for their own instruments, some of which presented a most venerable appearance. The sounds evoked from their inner tubes at the hands and through the lips of enthusiastic and lusty beginners, are said to have created appalling consternation to the innocent listeners in the nearer vicinity of the band room. The uniforms of these good old days were gorgeous, resplendent and most uncomfortable, as many old bandsmen will well remember.

Got Irish Bandmaster

The good old days when a few kegs of Rock Brewery beer contributed to enliven all band functions, are now but a memory. To come to our own time; in 1902 a fine set of silver plated instruments were secured from Besson's of London, and definite work undertaken to place the band on a permanent footing. In the Autumn of 1903, the affairs progressed so well that William Williams, of Belfast, Ireland, was engaged to come to Preston. Mr. Williams was a thoroughly skilled musician and brought the band to a high state of efficiency. In 1909, Mr. Williams left for Portage La Prairie, where he was offered better terms.

It was then that John Holland, the present conductor, took charge, and proved a most competent and excellent leader. The band gained a considerable reputation, having been engaged fourteen times at the Toronto Exhibition. The outbreak of the war in 1914, took nearly the whole band as volunteers overseas. During the winter of 1914-15 only eight players were left to carry on. Four members were killed, and many who returned wore wound stripes.

The band is at present in good condition, and gave a number of really excellent concerts last summer, in Central Park. The organization is a good advertisement for Preston and is a source of pride and pleasure to the citizens. Hundreds of outsiders attend the Friday night concerts during the summer, and Bandmaster Holland and his musicians receive many well earned expressions of approval from the large audiences present.

Preston Grows

When Preston was incorporated as a village in 1852, it contained 600 people and the area was 977 acres. In 1921, the population was 5,572 on 1,300 acres.

After Preston, in England

Squire Scollick, one of the early settlers, gave Preston its name, the squire having come from Preston in England.

Runs Broadcasting Station at Preston

Foremost among Preston's most recent acquisitions is Radio Station CKPC, owned and operated by Wallace Russ, near Pattinson's woollen mills. The station came into being about a year ago, bringing to reality the dreams of the owner who had been for years an enthusiastic radio fan and one well versed in the scientific department of this great discovery.

He accordingly secured the necessary broadcasting apparatus, which, though modest at the start, eventually became the nucleus of what is now considered by many a very good station. Recently considerable improvements were brought about through various slight changes in the apparatus, and the installation of heavy velours curtains in the concert studio, which serve to nullify the weak, tinny quality which was rather noticeable during the first concerts broadcast by this station. Reception has been greatly improved through these changes, and the alterations to the mechanism has broadened the field throughout which CKPC is heard.

The station's big public is in Ontario, New York and Michigan. Exchange calls and wires are being constantly received from listeners-in by this station, greetings even being received some time ago from the Cunard S. S. Aquitania, then lying 118 miles E.S.E. of Fire Island Station, New York. Messages have also been received from points in Pennsylvania and Chicago.

The apparatus is up-to-date and the pride of the owner, who started the station more as a hobby than anything else. Now, however, he has commenced to commercialize his station, various stores and the theatres of the district broadcasting their sales and programs.

Businesslike Administration

One of the facts about Preston which should impress manufacturers who know that businesslike administration of the community makes for low taxation, is that the municipal accounts are audited by a firm of chartered accountants.

HURLBUT CUSHION-SOLE Shoes for Children

Set the Children's Feet in the Right Path!

Mothers, who know how hard the average child is on his footwear—buy Hurlbuts, knowing that "Hurlbuts" last practically twice as long as ordinary shoes and therefore, cost much less per day's wear.

Apart from price considerations, they are scientifically lasted to take care of the growing foot. 14

Sold and Recommended by—

Hurlbut Authorized Agents throughout Canada.

James Gillies & Son
PRESTON
High Class Planing Mill Products
Doors Sash Interior Trim
Coal Wood Cement
YARD AND PLANT: 426 GUELPH ST.
Established 1894

Preston's Daily Paper
THE REPORTER
It goes into all the homes of the town and district.
It is also the daily paper of Galt and Hespeler.
The only daily in South Waterloo.

400 MEN EMPLOYED
in Preston
Making—
Hecla Warm Air Furnaces
Crusader Hot Water Boilers
Hydro-Thermic Radiation
Jewel Gas Stoves
Electric Ranges
Jewel and Peninsular Coal and Wood Ranges, Heaters, etc.
in the shops of

Clare Bros. & Co. Limited
Head Office
PRESTON, ONT.
Branches
Winnipeg Calgary Edmonton Vancouver
Warehouses at
Hamilton Montreal Truro, N.S.

ACCOMPLISHMENTS OF PRESTON CLUB MAKE PROUD LIST

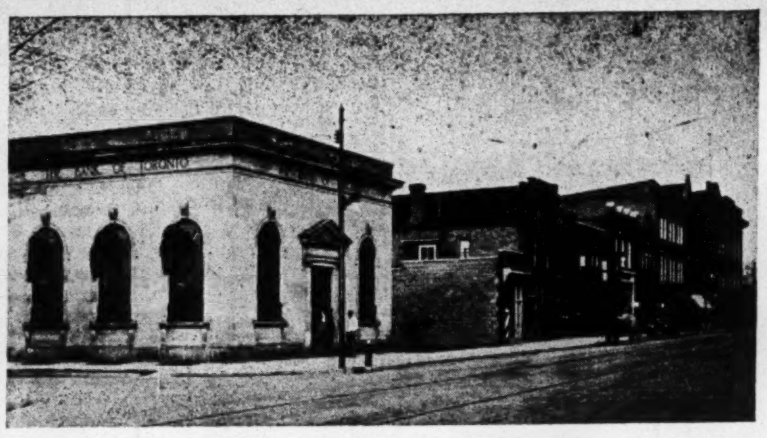
In Five Years, Business Men Have Done Much

Realizing that Preston was too large a town to be without a men's club of some sort, a number of local business men got together, with the result that on July 1, 1922, the Preston Club was organized. The motive was not one of an entirely social nature, but a desire to form some medium through which community welfare could be assisted. The membership was limited to a hundred, the club being officered the first year by the following: President, C. G. Robertson; 1st vice, J. S. Clare; 2nd vice, N. O. Hipel; treasurer, Blain Cherry; secretary, W. H. Heise. The club has made satisfactory progress since its inauguration, enjoying comfortable well-furnished quarters, in the Bernhardt Block, where the members may meet and spend a pleasant evening with their friends.

Good Work Accomplished

The club has done quite a little bit in the interests of the community. Every year the members have done something. The first year they contributed freely to the car purchased for the V.O.N. Nurses, and have each year freely supported the work carried out at the Freeport Sanitarium. The club helps each year with the Christmas relief work, carried out by the various organizations of the town, and for the past three years, the members have held a big community Christmas tree with the gifts for all the children of the town. This latter, is probably the greatest work being done by the club. Their action brings joy into the lives of over 1,000 children, while the members themselves experience the pleasure of giving.

Monthly dinners are held by the club, with the exception of the summer months, when interesting speeches are given by well known men. Only last month the members heard Sir Robert Falconer, while the late Col. George Ham, and the late R. K. Kernighan (the Khan) are among other prominent Canadians who have addressed the club at one time or another. So, in many ways, the Preston club serves a very useful place in the community. The present officers are as follows: pres., M. H. Smith; 1st vice, Thos. Ballantyne; 2nd vice, S. H. Parker; treasurer, Blain Cherry; secretary, W. H. Heise.



A view of Preston's business section.

Among First Towns to Pave Thoroughfare

An idea of the progressive spirit with which Preston is imbued is gathered from the fact that it was one of the first towns of its size in Ontario to pave its main street. The other streets are well cared for, but the community wisely has refrained from paving streets on which there is only the normal amount of local traffic.

Preston has not been backward in providing improvements essential to modern communities. There is an excellent waterworks system and a complete sewerage system, as well as fire protection comparable to that of many places of larger size.

Preston's tax rate does not exceed the average in progressive communities and is perhaps lower than most if it is analyzed in the light of the fact that assessments of both residential and business and industrial property are consistently low.

Preston Boasts Fine Library

Preston's public library is a fine Carnegie building on Alexander St., opposite the public square where is the war memorial. The library was organized as a mechanic's institute in 1871, 56 years ago. After several meetings, $350 had been raised for the purchase of books.

The institution grew slowly with the town for a generation or more, through private subscription, fees, and donations from the municipal council. In 1910, after several years of discussion and two years of negotiation, the present Carnegie library was built. It is a good building and the library board and staff have been successful in their efforts constantly to enlarge the usefulness of the library to the community. The building is open every weekday afternoon and evening. Miss Florence Cameron, a professional librarian, is in charge.

Preston Well Served in Transportation

It is easy to get in and out of Preston.

The town is served by the Canadian Pacific Railway, and there is an excellent service on the Grand River electric railway between Preston, Galt, Kitchener and Hespeler. There also are bus lines from Hamilton and the Canadian Pacific Transport Service (buses) runs to the Springs.

The community is in the center of a network of provincial and excellent county highways connecting with Kitchener, Stratford and Goderich on the west, Galt and Hamilton on the east, Guelph on the north, and Brantford on the south.

Board of Trade Has 107 Members in Town

Preston Board of Trade is now a live and growing organization. It is deeply interested in all community problems and takes the lead in much work that advances the position of the town.

About two years ago a campaign was staged when a large number of new members was brought in. Since then the activities of the board have been constant and vigorous.

B. W. Ziemann, who personally signed up 79 members in three days during the membership campaign, has been honored, fittingly enough, with the presidency.

The board has 107 members.

Preston's Climate is Aid to Health

Preston's climate is the same as that prevailing in the rest of Western Ontario, except that it has advantages over some other communities in that it is built on high ground, affording excellent drainage.

The maximum summer temperature is not above 90 degrees Fahrenheit, and is normally considerably lower, while the winter temperature seldom drops below zero for more than a day or two.

Preston's Three Banks

Bank of Montreal, Bank of Toronto and Imperial Bank serve Preston. The first branch, (Montreal) was opened in 1893.

Preston's Government Building

One of the fine buildings in Preston is the postoffice, on one of the main business corners. The rear of this building is an armory, facing on the side street.

Preston Unit in Hydro System

Preston is a unit in the Ontario hydro-electric system.

The power is brought to the sub-station at 13,500 volts and there stepped down to meet local requirements. The local power is distributed on 4,000 volt lines and stepped down to 550 volts for local power purposes and 110 volts for domestic and lighting use.

Manufacturers can get the power at any voltage desired. The rates for all purposes compare favorably with those in effect elsewhere.

Canada Now Has One Motor Vehicle to Nine Persons

One motor vehicle to every nine persons in Canada, was the distribution recorded by the Bureau of Statistics at the end of last year. Total registrations during 1926 was 836,794, made up of 728,067 passenger cars, 87,437 trucks and 21,290 buses, motor cycles, dealers' licenses, etc., including also 6,781 taxi cabs, which were recorded separately in Quebec and Alberta. At the end of the preceding year, registrations totaled 728,008, so that in one year there has been an increase of about 15 per cent.

Ontario continues to have the greatest number of motor vehicles, having a substantial lead over Quebec. All the provinces recorded gains last year and relative position of each is shown in the following table:

	1925	1926
P. E. Island	2,965	[illegible]
Nova Scotia	22,853	[illegible]
New Brunswick	10,022	[illegible]
Quebec	97,657	[illegible]
Ontario	354,112	[illegible]
Manitoba	51,241	[illegible]
Saskatchewan	79,078	[illegible]
Alberta	54,357	[illegible]
British Columbia	56,618	[illegible]
Yukon	112	[illegible]
Total	728,006	[illegible]

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The Financial Post Survey of Corporate Securities—a book of some 300 pages, dealing with more than 500 Corporations whose securities are in the hands of the Canadian investing public—will be off the press and ready for delivery the end of May. This strongly bound, well printed book is to be sold at the low price of one dollar. Only quantity production makes such a price commercially possible. The Financial Post's experience with The Survey of Mines—our reference book dealing with mining companies—shows that such quantity production is sound. At least 8,000 copies of The Financial Post Survey of Corporate Securities therefore will be printed.

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But will 8,000 copies be enough? Now—a fortnight and more before the book will be bound—advance sales total over 4,500 copies. The problem is to estimate how many thousands more will be needed. Will you help us by ordering in advance? Use the coupon below and get in your order to-day. It will mean you get the early copies that come from the binder.

For six months and more The Financial Post's augmented editorial staff have been working on The Survey of Corporate Securities. Years of work studying and reviewing the companies to be dealt with is the background which makes this new work possible. But The Financial Post has not hesitated to ask the counsel and work of leaders in Finance and business and this, happily, has been gladly given.

Confidence Based on Experience

So The Financial Post will present this new book with confidence—confidence that it will be to investors, large and small, a source of available information on companies in which they may have or may contemplate having an interest as bondholders or stockholders.

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Toronto Men on Board of Victory Gold Mines

Financialistic Debater Makes Inaccurate Statement Regarding Listing of Shares in Toronto—Inquirer Says Pity to See Canadian Funds Sent to Boston Concern

I have been receiving copies of "The Financialistic Debater" for some weeks now. At first I did not pay much attention to it as it featured largely United States companies with which I was not familiar, although in each issue mention was made of a "mystery stock" soon to be issued at bargain prices for a short time. From the last issue of this paper, as per copy enclosed, it now appears this "mystery stock" is gold mining prospectus in Nova Scotia.

I have marked several places in the enclosed paper by which you will notice the advice given is to sell any stocks one may hold and buy stock in this "mystery stock," which is now stated to be Victory Gold Mines Ltd., of Goldboro, Antigonish Co., N.S.

I may say personally I am not impressed by this form of propaganda. It would, however, be a pity if this advertising would be the means of Canadians sending their money to Boston for a fake or financially unsound Canadian mining proposition. For this reason I am writing to enquire if you know of Victory Gold Mines Ltd., that you may if possible show the scheme up through the columns of your paper to prevent any from being fleeced.

Having been a subscriber to your paper for the past five years or more I am taking the liberty of writing you. If you mention this in your paper I do not want my name published.

Any comments you might make could properly include remarks on the several Canadians from Ontario who are named as being directors of this company. Is, for instance, Charles D. Bertram, of Toronto—who is named as president of this company—in any way connected with the firm of John Bertram & Sons, Ltd., manufacturers of machine tools, of Dundas, Ont.?

I would thank you to investigate this matter and make any comments through your paper you may consider necessary for the protection of Canadian investors.

The above letter is similar to a number which has reached The Financial Post of late. Accompanying it was a copy of the "Tipster Sheet" he refers to. It carries a great deal of "Come-on stuff" about the mystery stock, Victory Gold Mines, and there are a number of glaring misstatements. For instance, it says the stock was officially listed on Toronto Standard Stock and Mining Exchange, and although many transactions have taken place on that exchange, the stock has not yet been officially called.

The stock was refused listing on the Standard Exchange, says Secretary Draper Dobie, and no trading has taken place in the shares on Standard Exchange.

Financialistic Debater gives the holdings and directors of Victory Gold Mines.

Much interest will centre around the directors. The paper says of them:

"The officers of the company are well-known Canadian interests, the president being Charles D. Bertram, of Toronto; vice-president, J. A. C. Cameron, K.C., also of Toronto; the treasurer is H. J. Batkin, and secretary, W. G. Boyd. The directors are J. E. Jamieson, ex-Member of Parliament, Collingwood, Ont., W. G. Boyd and G. C. Crean, the latter two directors being Toronto men."

J. A. C. Cameron is associated with numerous enterprises, including reorganized La Rose Mines. G. C. Crean was and may still be president of Davidson Consolidated Mines and it is understood that the secretary, W. G. Boyd has his office in the same office as is that of the Davidson.

J. A. C. Cameron says his name was used as a director and vice-president of Victory Gold without his knowledge or consent and as soon as it came to his attention that he had been placed on the board, he withdrew.

Victory Gold Mines evidently has three groups of property, Nova Scotia, N. W. Quebec and Goudreau.

The picture painted of the Nova Scotia gold properties being ready with little effort to turn out gold bricks, reads well, but as anyone familiar with the Nova Scotia gold mining situation knows, is far from a fact. There are possibilities, big ones in Nova Scotia, with the application of modern geological study and mining methods, but success will not come as easily as the following as taken from Financialistic Debates would indicate:

"The main aspects working toward success for Victory Gold Mines, Ltd., are as follows: Possession of an established shipping property in Nova Scotia famous as an old gold producer, equipped with a mill which with a little revamping can be put into operation in a short time will begin shipping actual gold; ownership of 200 acres that may rightly be characterized as "inside" in one of the most wonderful mining districts in Canada, growing steadily in demonstrating deposits of copper gold ore at the hands of the greatest aggregations of mining financial capital that have ever been gathered together; ownership of five mining claims in what with development may prove to be another great sensation in Canada and the establishment of a new gold camp in Northern Ontario.

"Any one of these three properties have justified the present selling price of Victory Gold Mines, Ltd. As the Nova Scotia property yields up its treasure and goes on a permanent producing basis, it may ultimately be the making of the camp of the immensity and productivity of the famous Bendigo reefs in Australia or the South African Rand, so that the stock should steadily climb in market value.

"If the Rouyn property is opened and developed in the manner that has characterized the opening up of some of the most famous properties in that district, there should be a further stimulus to the stock. And as the Dog Lake property reaps its share of the development so there should be further reason for steadily advancing prices for the shares of Victory Gold Mines, Ltd."

The paper presents engineers reports on two of the groups, G. F. McNaughton, M.E., reports on Nova Scotia and Douglas Mutch on the Goudreau group. Mr. McNaughton says of one of the N. S. groups that commercial ore can be mined and sent to the mill immediately after dewatering the stopes, but he does not say what ore there is available.

On the Goudreau property Mr. Mutch suggested surface work and diamond drilling.

All through the paper are what purport to be inquiries, in almost every answer, the advice is given to sell the stock, no matter how good it is and buy Victory Gold mines.

Draper Dobie, secretary of Standard Exchange, sized the situation up well when he said that Canadians are interested in mines, not markets, and that the brand of literature being sent out from Boston was anything but desirable.

Another Smelter for Province of Quebec

QUEBEC.—Gros Pin, three miles from Quebec, is said to be the site of the second smelter to be built in the Province of Quebec. The Shawinigan Water & Power Co. recently acquired land in this section, and it is stated that the plant will be erected thereon. Premier Tachereau stated at Limoilou that a second smelter was to be built in this district to refine the minerals obtained in Gaspe, Chibougamou and other Eastern Townships.

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Prof. Wallace Manitoba's Commissioner of Mines

Prof. R. C. Wallace, head of the geological department, University of Manitoba, has been named commissioner of mines, of the province, by Premier Bracken. It is expected that the appointment will develop into the creation of a department of mines as soon as Manitoba gets control of her natural resources. Prof. Wallace is past president of the Canadian Mining Institute.

NATIVE OF NOVA SCOTIA

Judge Dan McDonald, a native Nova Scotian, who located what are now the Ruth holdings of Nevada Cons., died recently at Ely, Nevada.

NATIONAL AND B.C. SILVER LOOK LIKE TWO LARGE MINES

Selukwe Chairman Discusses Ventures Operating on Premier Ore Zone

VALUES ARE HIGH

Extensions Up the Mountain Are Proven—Great Depths Are Now Indicated

Great optimism in regard to operations on the extension up Premier Mountain of the rich ore zone of the Premier mine, was evidenced by Cromwell Hackley, chairman of Selukwe Gold Mining & Finance Co., London, at the annual meeting. He indicated that the opinion is held that both B.C. Silver and National Silver, sometimes referred to as Selukwe and Sebawke, respectively, will work out as rich mines as the Premier.

This company owns Kafue Copper Co., which is carrying on the only large size alluvial operations in B.C. and in summarizing the situation, the chairman said:

"The B. C. Silver Mines, Ltd., has established, by reason of its own work, confirmed by that of the Premier and Sebakwe Companies, that it has the potentialities of becoming a great ore-producing mine. The work to the south (the Premier) however reluctantly it may have been undertaken by our great neighbor, conclusively establishes, as shown by exploration on their fifth level, that massive ore bodies exist in the Oakville Fraction Claim, 700 feet below our workings. Again, the finding of $20 ore 2,500 feet and more to the north in the fourth level of the B. C. Silver and on the same horizon on the Sebakwe ground indicates that the pay formation is not confined to some particular geological structure pertinent only to the Premier properties."

The chairman's remarks about "our great neighbor's" reluctance, etc., can best be understood when it is pointed out that Premier have a 38% interest in B.C. Silver and have certainly not fallen over themselves

(Continued on page 29)

BABINE RANGE IN NORTH B.C. MAY BE ANOTHER SLOCAN

Little Joe Group, With Famous Grey Copper, May Soon be Shipper

Smithers section of British Columbia, which is served by Canadian National Railway, is coming to the front quite rapidly. Duthie mine has been shipping rich ore and this has served to focus attention on the area. In addition much favorable information has been coming out in regard Babine range which many engineers say has the makings of another Slocan. Babine Bonanza mine is one of the leading operations in this section.

E. G. Brown, Vancouver, announces that he is going to operate on the range. He has secured the Little Joe group which is about 22 miles north of Smithers.

Little Joe has quite a name among mining men acquainted with that section. John D. Galloway, now provincial mineralogist, visited the property when he was in charge of the north B. C. mining district and made some interesting comment on the possibilities of the group. Douglas Lay, his successor as district engineer, was on the property in 1925 and he described the shoot as from 2 inches to 2 feet wide, and suggests that the soft rock will facilitate mining.

The ore is grey copper, carrying high values in gold and silver with lead and zinc showing high in some sections. The property has been opened up considerably already, the vein being opened by a 200-ft. tunnel while a 33-ft. winze sunk in the tunnel reveals particularly rich ore and the outlook is that shipments should be possible now in a very short time.

The operation will be carried on practically as a private venture, Mr Brown having been engaged in handling private mining operations for many years.

Duthie mines took a mill into the section late in March. Mr. Brown says his ore is so high grade that he will ship direct to the smelter.

Await Examination of Ross Oil Well in Manitoba

WINNIPEG.—Thousands of acres of oil leases have been taken up by different interests in the vicinity of Grand View. Government officials made a trip recently to the Ross Well, but ice had collected around the casing, nearly filling the derrick house, and precluding any examination, so the well was sealed. A final inspection will be made shortly. Until then the McDougall outfit from Winnipeg will be unable to move the drill rig to their own property.

Another High Grade Copper Find on Eplette-Metcalfe

A new showing of high-grade copper has been opened up on surface on Eplette-Metcalfe property in Mountbray Tp. The known width is 15 ft., with length undetermined. The directors are going out to see the showing.

Need of Prospecting Rush Now Thing of the Past

Solid Substantial Methods of Systematic Effort Are Working Important Changes—Public Has Chance to Pick and Choose With Discrimination

By DR. W. L. and W. M. GOODWIN,
Seventh Article on the Prospector and Prospecting.

The time-honored "rush" to stake claims is a phenomenon, partly natural and partly stimulated by our mining laws, that has aroused much discussion. As it forms at present such an important feature in the development of practically all the mining camps in Canada, it will be as well to inquire critically into its origins, its motive, its uses and its abuses.

There are many points of view regarding these rushes. Some people enjoy them merely for the excitement they afford. This is shown at its maximum in the highly organized diamond rushes of South Africa where, at a signal, runners start from a taped line to peg their claims. Some steady workers consider the rush an infernal nuisance that compels them to stake instead of prospecting. Many earnest people with the welfare of the mining industry at heart believe that, while the rush in itself is wasteful of time and money, it is a necessary evil and the only practicable way of getting people to back prospectors with their money. Still others, and their name is legion, look upon the rush and its attendant excitement as a means of parting fools and their money.

Reference will be made to these various points of view in the following paragraphs and the writers will give their own conclusions, based upon personal experience and observation during the past thirty years. During this period nature and human nature have remained unchanged, but man-made conditions have altered so radically that conclusions reached even a few years ago may be quite unsound today.

Reasons for Rushes

Let us consider first the reasons for a "rush." A pioneer worker makes a find and when the news leaks out, others try to take advantage of the discovery by staking claims close by. It is a fact that claims near a good discovery are more likely to prove valuable than those farther away, and it is a phase of human nature to wish to get "something for nothing" by such a means. But it is not human nature at its best—in fact the tendency develops rapidly into mere claim-staking without any honest attempt at prospecting. The confirmed claim-staker is a parasite feeding upon the work of the prospector. The prospector, who makes a good find, usually secures desirable neighbors by letting his friends know of it before the news leaks out to the public. Those who come in afterward have little or no chance of staking good ground, though it may serve the purpose of the so-called "claim buzzards. What keeps this indiscriminate claim-staking alive is the rare lucky strike which makes so much noise that nothing is heard of the thousand total losses.

There is, however, one useful feature that must not be overlooked. The rush attracts the attention of prospectors to the whole area, and commonly its bounds are more or less widely extended by real prospecting. This is illustrated by the discoveries in the Woman Lake country following the staking of the Red Lake area.

The excitement of a staking boom invariably affects a part of the general public, who loosen their purse-strings, often with very little discrimination. This gives an opportunity to the sharks who are always on the lookout for prey. Thus a class of staking, even less reputable than that of the usual "stakers," is done by these gentry who first organize a scheme for raising money from the public and then send out someone to get some claims somewhere in the region of the "rush." Scores of syndicates and companies were organized on this basis during the Red Lake boom of last year, and in many cases the claims staked were not even superficially examined, much less prospected, when the season opened. Thus many thousands of people paid money to companies and syndicates that performed not a single day's work of real prospecting. This is the so-called prospecting "gamble" as known to thousands of the public, now disillusioned. It is not a gamble—it is a sure loss. Unfortunately these people will include unjustly in their condemnation the many companies and syndicates that are doing honest, consistent prospecting.

All Booms Much the Same

A boom in mining is not essentially different from a boom in real estate or water-powers or any other phase of human activity. It is especially seductive, however, on account of the undoubtedly large profits in case of a lucky strike. There are few responsible people in these days who want to see boom conditions in any industry. They realize that the cost of a boom is quite out of proportion to the benefits it brings. The profit is made mostly by speculators who do nothing to advance the industry, and the real workers usually get little out of the boom but a legacy of debt. The opinion of the writers is that there is now no more justification for the usual "rush" to stake claims than there is for the real estate booms of former years.

Formerly it was possible to make out a good case for the mining boom as well as the staking rush. It is not many years since the mining industry of northern Ontario was put on a solid, business-like basis. It is

(Continued on page 29)

What a Mine Means in $'s

In the 13 years that have elapsed since the Anyox smelter began operations in March, 1914, the Granby Consolidated Mining, Smelting & Power Co., Ltd., has spent about $60,000,000 in British Columbia, it is estimated by the Alice Arm Herald in a recent issue.

In wages the company has averaged about $2,000,000 annually and another $2,000,000 a year is spent on supplies. Capital investment before and operation has amounted to millions of dollars and conrtibutions to the government in taxes has been substantial.

From the start of operations until the end of 1926 production of copper amounted to more than 370,000,000 pounds. Until the end of 1925 output of silver was 3,830,260 ounces of gold and of gold 72,390 ounces. Figures for 1926 have not been made known.

ERRATIC TRADING IN MINING SHARES; GOLDS ARE STRONG

Heavy Selling of Noranda from New York—Nickel Under Accumulation

Trading in mining shares has been erratic of late. The good issues, including the leading golds, have held firm while the recent new levels attained by the Kirkland Lake issues, have practically all been held, except for a slight Wright Hargreave reaction and a drop in Kirkland Lake gold. Lake Shore and Teck Hughes continue under accumulation, with little stock coming out despite the attractive profits many holders of these shares could take.

Weakness in Kirkland Lake Gold is attributed to the announcement that Beaver's holding of this stock will be distributed to shareholders and the company wound up. Some feel that much of this stock when liberated will find its way on to the market and perhaps break down the price.

Vipond sold at $1.11, compared with its high for all time of $2.00. It is difficult to understand this situation The McIntyre is under accumulation and is strong while Hollinger continues to sell just above the $20 mark, slightly under the Lake Shore high.

Who is selling all the Potter-Doal? This is being freely asked. It is understood that there are no outstanding underwriting agreements, so it is evidently public holdings that are being marketed. Whether or not the sellers are interests close to the operation, is not known, but there is a suspicion that such is the case.

Noranda came in for a flood of selling when it hit $5. It is said that the bulk of the stock came from New York.

Accumulation of International Nickel is going on both in Canada and New York and while there is no rush to gather in the shares, it is said that all offerings are being readily absorbed.

Nova Scotia Gypsum Operations Extending

HALIFAX, N.S.—During 1926 there were quarried and shipped from Nova Scotia to the United States 607,116 tons of crude gypsum, or 135,942 tons in excess of the 1925 exports. The gypsum industry in the province is developing rapidly and to an extent never experienced before.

Anglo-French-Canadian Holdings Are Quite Low

Sale of its Kirkland Lake Gold preferred shares is indicated in the decline in assets of Anglo-French Exploration. a London Financial Trust's holdings. The balance sheet shows a decline in the 1926 annual report from £156.119 to £88.353. This is a drop of about $580,000. The trust held large blocks of common taken up at 10c. and 500,000 preferred taken up at 70c.

NORANDA HAS NOW FORTY MILLIONS OF ORE FOR SMELTER

Acquires Timmins' Interest in Waite-Montgomery and Alderson-Mackay Mine

CASE COMPLICATED

Towagmac Owns 35% in Alderson-Mackay — Public Holds Waite Units

Noranda has acquired the Timmins interest in Waite-Montgomery and Alderson-Mackay mine. This will give Noranda control of the following tonnage:

Noranda	$25,000,000
Waite-Montgomery ..	11,000,000
Alderson-Mackay ...	3,000,000
	$39,000,000

Mr. Timmins will take Noranda stock for his interest in these two properties thus making him a very heavy holder of Noranda stock. Basis of exchange is not announced. Noranda had 202,600 shares in its treasury out of 2,000,000 shares.

Towagmac owns 35 per cent. interest in Alderson-Mackay mine. It was expected that a separate company would be organized to operate it and Towagmac had the right to underwrite any stock that was to be issued. This may now become a questionable asset. Noranda may see fit to finance all the work itself.

Hard to Size Up

There are some bullish stories going the rounds as to the possibilities of Towagmac shares but it is a little hard to see them. Noranda will be in control, will ship the ore to its own smelter or concentrator and smelter. It is difficult to see where there is any benefit in swapping the Timmins horse for Noranda.

Mr. Timmins controlled 81 per cent. of Waite-Montgomery and a portion of the balance is in the hands of the public that was purchased at from $650 to $800 per unit. This provides further entanglements.

Noranda Shares Strong

While Towagmac shares have been fairly strong around $4.35, the market indicates that Noranda will be he chief beneficiary by the deal, as these shares have sold up to $25.

Pres. J. Y. Murdock's announcement of the deal follows:

"It is announced that an arrangement has been reached by Noranda Mines, Ltd., and N. A. Timmins whereby Noranda acquires Mr. Timmins' interests in the Waite-Montgomery and Alderson-MacKay properties. By this transaction Noranda secures an 81 per cent. interest in the Waite-Montgomery and approximately 70 per cent. in the Alderson-MacKay. Mr. Timmins completes the respective option payments on each property and receives for his interest treasury shares of Noranda Mines, Limited."

Beaver's Holding of Kirkland Lake Works Out at $1.19 a Share

Beaver Consolidated shareholders have approved of the proposal to exchange the 500,000 preferred shares of Kirkland Lake Gold held in Beaver treasury for an equal number of shares.

Pres. D. B. Hanna announced that it was the intention to proceed with the distribution of Kirkland Lake Gold shares, held in Beaver's treasury, to shareholders, and to then wind up the company. Other assets are practically negligible.

Beaver has $2,000,000 in stock outstanding and will have 1,700,000 shares of Kirkland Lake common. At a market of $1.40 for Kirkland Lake common the value of Beaver's holding is $2,380,000 or $1.19 per share of Beaver. Other assets should take care of the cost of winding up and distributing the assets.

COPPER NEAR MATHESON

Hollinger field men are reported active in Weike Tp., north of Matheson, where good copper showings are reported.

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PUT ELECTRICAL SURVEY TO TEST IN KAMISKOTIA

Minister of Mines Gets Hollinger to Try It on Copper Holdings

WILL BE OF VALUE

Requests Made to Allow Such Expenditure Apply on the Assessment Work

For some time Hon. Chas. McCrea has been urged to allow an electrical survey of a property apply on assessment work. Quebec Department of Mines has made such a concession.

The Ontario minister has worked out a practical idea. It should benefit more ways than one.

Mr. McCrea has succeeded in having Hollinger Gold Mines arrange to conduct an electrical survey of its Kamiskotia properties.

This area is ideal for a test of the electrical survey. It is regarded as a sulphide proposition. Is heavily overburden, so that it is impossible to systematically prospect the surface. If the electrical survey is of value, the Hollinger Kamiskotia group is the kind of a property on which it should prove of the greatest value.

Conditions Will Be Ideal

On the other hand, the test will be under ideal conditions. It will be in the hands of a company capable of following up to the limit, any favorable indications which the survey gives. The company has the keenest geological and engineering brains available so that in following up survey results, it is unlikely that any favorable factor will be missed.

Another factor, is that with a test under such favorable and responsible auspices, results will have considerable weight with the public.

Public Attitude

At the moment the electrical survey, insofar as the public is concerned, has lost caste. The experience with Amulet and Area was responsible for this. The Electrical Survey was not at fault, but this doesn't matter. The public placed the blame and there it sticks until some favorable and outstanding factor comes along and removes the stigma. The Hollinger test will either confirm the present public opinion or remove the cloud.

Mr. McCrea is making a concession to the Hollinger people for making the test. By order in council, he will allow the work to apply on the first year's assessment. It is hardly likely that this will relieve Hollinger of any embarrassing effort as undoubtedly the work under way now, would more than account for the necessary days of labor.

Big Holding Co. for Alberta Oil Fields Seek East Finances

Malcolm D. Geddes, president United Oils of Calgary, and Senator E. Michener, Calgary, are in Toronto with a view to interesting easterners in Ainsworth Oils, a company with large and extensive holdings on the various Alberta oil structures.

Large U. S. firms are taking up tremendous holdings in the Alberta field, and the idea back of the new company is to get control of large acreage in the various promising sections before it is all grabbed up. To date the company has 25,271 acres, the bulk of it attractively located, and they propose to steadily increase these holdings. All acreage acquired to date has been on an attractive basis. They present their company as an attractive business proposition, designed to hold for Canadians a share in the big oil development which they are certain is now well under way.

Considerable funds have already been raised in the east and they are offered substantial blocks from England. The company has a very sound board of experts, Eugene Coste, E.M., and Prof. J. A. Allan being the geologists.

Barry Needs Funds to Deepen Its Workings

Barry-Hollinger balance sheet shows current assets $27,861, and current liabilities $31,941. There is a loan with interest of $177,941, and Pres. Crowe informed shareholders that those advancing the money would take stock at 50c. This, however, leaves the operation without working capital to carry on the aggressive exploratory campaign which Mgr. Richard Trelour has mapped out. The manager expressed considerable optimism in regard to the 800- and 1,000-ft. levels, but believes that the best chances of the property are at depth and recommends sinking a winze to 1,500 ft.

No profit or loss account accompanies the report to show in detail how the operation has fared from production, though the balance sheet indicates that it has been unprofitable.

Suggest Easier Manipulation of Smelter Shares by Stock Split

Discussing stock splits or bonuses, Engineering and Mining Journal makes mention of the fact that such a question was raised at a recent meeting of Consolidated Smelters. It cites the stock as a conspicuous example of a stock that has gone above $2.00 and says it is the only one that has done so out of the list it publishes weekly. Part of the significance of the rise is lost by not pointing out that it is a $25 stock. It says:

"At the last annual meeting some of the minority stockholders suggested, according to the report before us that 'to allow easier manipulation on the exchanges,' the shares of the company should be divided. The directors, however, disapproved on the ground that the company was a producing, not a stock-jobbing, concern. 'Manipulation' in this connection has an ominous sound; probably that was not exactly what the proponents of the idea had in mind, but if so, and if they were merely surprisingly frank in their choice of terms, the directors may be congratulated on having turned down the suggestion."

Mining Inquiries

Silver Leaf

A client wants to know if Silver Leaf Mine shares are of any value.

This property adjoins old Crown Reserve in Cobalt section. Considerable new activity in the area of late. We know of no market for the stock.

Handle Margin Trading

Will you give me the name of a number of reliable brokers handling mining shares on margin?

Reference to the columns of The Financial Post will give you the names of several mining brokers who will handle marginal accounts.

Nipissing

Are the speculative prospects of Nipissing in any way attractive?

Nipissing Mines is considered a fair speculation. The silver market is in a bad way and its cobalt operation handicapped, but its northerly property has attractive possibilities.

Conroyal

What can you tell in regard Conroyal. I understand a group in Hanover is much interested in this. I am offered the stock at 60 cents.

Conroyal is regarded as an attractive speculation. It is in good hands and they are trying hard to find a mine.

La Palme Porcupine

Could I trouble you for a report on La Palme and the extent of their operations and prospects?

La Palme-Porcupine Gold Mines is a well regarded property in the Western part of the Porcupine gold area that has lain idle for several years. I think the company is in good standing, but finances are at a low ebb.

Coniaurum

My bank manager suggests that I should buy Coniaurum. Do you think it has a chance?

Coniaurium adjoins Hollinger and McIntyre in Porcupine Gold area, and is an attractive developing mine in the hands of good people. The next few months ought to bring some good news in regard to mill plans.

Trethewey-Ossian

Do you consider the shares of Trethewey Ossian mines a safe investment?

Trethewey—Ossian Mines are a fairly promising prospect in the Larder Lake district. Their stock is speculative and cannot be considered as a safe investment as the term is generally used. Diamond drilling results were considered favorable.

Laval

Will a person get a chance to make any money out of the large holdings of Laval by buying the shares?

Laval, Quebec, is a promising prospect in the Rouyn field and work on the property to date has been satisfactory. It is considered a fair speculation, in which the speculator should get a run for his money.

Astoria Rouyn

A client of ours is bent on investing in Astoria Rouyn. Would you say what chances he has?

Current price Astoria Rouyn Mines is 40 cents per share. This is a new Quebec operation holding 32 mining claims, 1,400 acres, Boischatel, Joannes and Rouyn Townships. It is a prospect, and of course, the stock is speculative.

McCarthy-Webb

A customer of my bank branch has considerable money in this stock. What are the chances for the venture?

Re McCarthy - Webb - Goudreau Mines. This is a rather attractive looking prospect in the Goudreau area. It has just recently financed its operation. The venture is to be regarded as a rather good looking prospect.

Premier

Do you consider Premier has a good future? Will the rumored merger have any effect on the stock?

Premier Gold pays 32 cents per share yearly and has about five years proven ore. There are negotiations on for a consolidation with other properties that should work out well for Premier.

Noranda

What are the chances for Noranda?

Noranda Mines are making good progress and erecting a thousand ton smelter at Noranda Townsite and it is expected that this plant will be in operation by the end of this year or very early next year. Ore reserves amount to approximately $25,000,000. The stock is considered attractive.

Howe Sound

What do you think of the possibilities of Howe Sound?

Howe Sound Copper Co. is a New York concern operating a mine in Mexico and the Britannia Mine in British Columbia. The company is in a very good position and I attach a clipping taken from our publication, The Survey of Mines, which gives information on this and all Canadian mining operations.

Howey Gold

Please give me your opinion re Howey Gold. Do you think the mine has good chance?

Howey Gold Mines are considered a good speculation. Their properties in the Red Lake Field have a good chance and the company is well financed, and has good mining, geological and business direction. A substantial tonnage of ore has been put in sight by diamond drilling.

Buy Better Mines

For business man who does not depend on investment return and wishes to place $1,000 in mining stocks that will do better over 5 years, what 5 stocks look best at the moment?

Because of the present position of the market we would suggest that you should consider some of the leading golds such as Hollinger, McIntyre, Teck Hughes, Lake Shore and Wright Hargreaves, all of which have excellent possibilities and Mining Corporation.

Vickers

I hold Vickers. Can you give me any information about the weakened position of the shares?

Vickers Porcupine is one of the stocks which came under criticism of the directors of Standard Mining Exchange, and which caused the great decrease in market price from $1.40 to 15 cents a share. Recently we published a copy of the annual report and the comment of the president. The company's holdings have attractive possibilities.

Harvie Exploration

What is the standing of Harvie Mining Exploration? I have a large list of mines which I enclose. The great bulk are cheap issues. Name the one that you regard as outstanding and I will shoot the rest.

Of the three stocks mentioned in your letter, Harvie Exploration seems to be the most attractive. This is a Montreal company in excellent hands and the work which they have done to date, indicates attractive possibilities for shareholders. The stock has appreciated in value considerably since it was first issued.

Needs Diversification

A farmer client with considerable mining stock, many of the good ones and $10,000 in securities of problematical worth, wants to invest $10,000 in Lake Shore and Teck Hughes. What do you think of the investment principles involved. His other assets are farm lands and stock.

Both Lake Shore and Teck Hughes are good buys, but we do not consider it wise for your farmer customer to put $10,000 in these two stocks. If, as you say, he holds $10,000 in securities of somewhat problematical worth, he should seek greater diversification of his holdings.

Porcupine Kirkland

I have been thinking of buying Porcupine-Kirkland. Will it compare favorably with Dome?

Porcupine Kirkland can hardly be placed in the same category with Dome. The former is still only a prospect and not a producing mine. On the other hand, Dome has been producing for a number of years and is in a relatively strong financial position, though its Porcupine mine production is easing off steadily. It is impossible to tell what success the management will have in the development of this property, but you should consider purchase of such stock as a speculation and not as an investment.

Thompson-Cadillac

I want to get some information on Thompson-Cadillac. What are its prospects?

The Thompson-Cadillac property, located in Cadillac Township, Northwestern Quebec, is regarded as a developing prospect with a good outlook. About the richest gold ore mined to date in Northern Quebec has been taken from this property, and the shaft has been sunk now some 50 or 60 feet, and this very rich ore persists. E. S. Gordon, Reford Bldg., Toronto, Ont., is secretary of the company.

Imperial Oil

I hold Imperial Oil, bought at 43. Would you recommend selling to buy Noranda? I also hold Howe Sound and Nickel.

Imperial Oil is a sound investment, whereas Noranda is still a semi-speculation. If you were to buy shares of Imperial Oil now the return would not show you a profit as the cost of selling would absorb the small difference between the price at which you bought and the price you could secure on the open market. You would be better off to hold your Imperial Oil. You are carrying pretty heavy mining stock holding at the present time?

Ore Chimney

Ryerson & Co. are approaching Ore Chimney shareholders to switch into some stock to be named later. What are they and what about Ore Chimney?

We do not know the firm of Ryerson & Co. who are trying to switch the stockholders of Ore Chimney Mining Co. We would be glad if you could let us have the letter which one of your clients has presented to you and we might be able trace them in that way.

Ore Chimney has been selling stock for 12 or 13 years, installing and changing mining machinery, but has never got to the point where they produced. They have certainly had time to get somewhere by now.

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Premier
1926 Statistics
The annual report gives the following interesting information:
Value of Gold produced
$2,526,480
Value of Silver produced
$1,979,733
Net Earnings before Depreciation and Depletion
$2,011,665
Amount dividends paid
$1,600,937
Ore reserves
$11,495,073
At current prices, the dividend yield is over 14%. We recommend Premier for income return and appreciation in value.
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Brownlee-Noranda
We are preparing a special letter which will be of interest to shareholders of the above mentioned companies. Same will be forwarded upon request without any obligation.
Box 45
FINANCIAL POST
Toronto, Ont.

MANITOBA SPRING BREAK-UP STARTS AN ACTIVE SEASON

Mineral Areas Look Forward to an Aggressive Exploratory Effort

WINNIPEG. — Prospectors are getting ready to leave for the bush. The canoe routes are practically open now. Probably there will be more men in the field this summer than ever before. The Geological Survey is putting in 4-field parties: Dr. J. F. Wright, on Island Lake; Dr. Burwash, on Kississing Lake; W. A. Johnston on the Pleistocene, and C. Stockwell on the lithia area south of the Winnipeg River.

Central Manitoba

Latest reports on Central Manitoba mines, says Industrial Dev. Board, being driven on the 125' level and that assays of $16.55 per ton over 4'4" of the vein were obtained. The full width was not exposed at this point. On the 225' level crosscut 5'7" is exposed and assays over $9.00 per ton. The crew has been taken off the Tene 6 shaft and is being used on the mill construction work. Foundations for the mill have been laid and the superstructure started. Mining Corporation is still diamond drilling.

Slate Lake district will probably undergo more prospecting for gold than anywhere else in Manitoba.

Hollinger President Active

Noah Timmins, Hollinger Consolidated president, has bought a 25% interest in the Gem Lake Gold Mining Co., following an examination of the property near Slate Lake. Ten men will be employed all summer under the direction of F. W. McNeil. The extent of the break has not yet been determined.

A Winnipeg syndicate has been formed to finance the prospecting of the 15 claims of the Redstone group, adjoining the Gem Lake Gold Mining group. Supplies have been shipped in and a camp built. W. M. McIlwraith will supervise the crew of six men. Surface work only is planned.

The GX Syndicate has 12 claims on the Moose River, just north of Flintstone Lake, and quite close to Slate Lake. The syndicate is composed mainly of members of Winnipeg Grain Exchange. Last summer they started out a party of prospectors to acquire claims around Red Lake. En route some interesting showings were found and were staked. From 10 to 15 men worked on the property during the latter part of the season. A wide vein is said to have been traced 400 feet. Supplies for this summer's work have been freighted in and an extensive program is planned.

Drilling the Selkirk

Another syndicate has been formed to find out what is on the Amazon group at Stormy Lake. A. J. Merrill will be in charge of the prospecting force.

Diamond drilling is going on at Selkirk mine. On the Betty group, the shaft has been sunk by hand steel to 50'. At that level a crosscut north is reported to have cut the vein 12' distant. A total of 40' of crosscutting has been done. Favorable results are said to have been obtained. The company is planning on engaging a mining engineer to examine the property.

The first motion picture of the Central Manitoba Mining District was shown at a meeting of the Manitoba Chamber of Mines on April 27th. Col. Baxter, the Secretary, accompanied by a photographer, made a complete tour of the district and secured some fine pictures. It is intended to show the film at the Toronto Exhibition this year.

Northern Manitoba

Diamond drilling is going on at the Bingo, Herb Lake.

The pilot flotation plant, on Flin Flon, is operating and tests continuing. The Whitney interests are not issuing any reports on the results and no announcement need be expected until September or October.

On Graham property, 15 miles north east of the Flin Flon, interesting copper showings have been discovered at Aimee Lake. The Noah Timmins interests have been diamond drilling on it this winter. Up to date however, no announcement of their findings has been made.

Diamond drilling stopped on Baker-Patton. No announcement has been made concerning the winter's work.

"DOUG" WRIGHT OPENS OFFICE

Douglas G. H. Wright, formerly Dome geologist, and now consulting geologist and engineer on Howey Gold Mines, Red Lake, as well as other Red and Woman Lake operations, has opened an office in Royal Bank Bldg, Toronto, and will carry on consulting practice as mining geologist and engineer.

Paymaster Finds Big Porphyry Body Extension

Paymaster mine, Porcupine, has its new shaft timbered down to 120 ft. and when down to 300 ft. it will be used to hoist waste, pending completion of the regular headframe, and ore bins and installation of skips. This will relieve congestion at the present shaft somewhat and permit an increase in ore tonnage. It will, also, provide the necessary material for filling around the collar of the shaft.

Part of the new double-drum hoist is on the ground, excavation for its foundation is finished and material for the hoist building is on hand. Timber for the new headframe, which is of British Columbia fir, was shipped from Vancouver the first of the month and should arrive in due time. This shipment includes material for framing the large ore bins which are to be located at the collar of the shaft and into which the skips will dump the ore.

The drift on the 400 ft. level, headed for a point directly under the new shaft, has been completed and a raise to connect with the shaft at the 300 ft. level is well under way. At last account it was up 35 feet. When finished it will provide loading pockets for ore from the 300 ft. level upward. As this work is in barren rock the waste, together with that coming from the work of trimming the shaft, makes a considerable tonnage, which necessarily reduces the daily ore tonnage. This situation, however, is only temporary and is more than offset by the saving in shaft construction costs. As Mr. Clement says: "By raising we have been able to put down the shaft for a fraction of the cost of sinking, and with very little equipment cost. The saving will aggregate several thousand dollars.

In the 313 west drift, or main haulageway, which is driving to connect with the new shaft at the 300 ft. level when within 80 ft. of the shaft, encountered the porphyry body which was cut by other workings. This adds materially to the size of this body. The ore is going to the mill.

Lorrain Trout Lake Shows Heavy Loss

Lorrain Trout Lake Mines reports operations in 1926 carried on at a loss, owing to the exhaustion of the known high-grade ore at No. 1 shaft and the lack of important discoveries of new ore.

Production of silver amounted to 143,399 ounces against 436,302 ounces in 1925. The total production since the commencement of operations was 843,613 ounces.

"Except for some drifting carried on from the 8th and 10th levels of the Keeley Silver Mines," says Mr. J. P. Watson, the president, "work in the No. 1 shaft area was discontinued in October, and attention concentrated on the No. 2 shaft section. While no major discoveries of high-grade ore were made, two short shoots of commercial ore were developed and the presence of strong veins containing cobalt led to the hope that development, at a lower horizon, in 1927, will produce favorable results."

Figures follow:

	1926	1925	1924
Production	$ 91,250	$307,022	$180,102
Costs	155,497	220,885	106,850
Profit	x$64,247	$ 86,167	$ 73,252
Balance fwd. ..	34,684	54,988	......
Interest	2,962	4,193	5,460
Tax reserve	1,899	....	......
	x$94,070	$145,348	$ 78,712
Administration	18,502	32,089	17,255
Writ. off plant	1,305	990	468
Tax reserve ...	....	5,954	6,000
Dividends	....	150,000	....
Balance fwd. ..	$113,877	x$34,684	$ 54,988

xDeficit.

HEADS GEOLOGICAL DEPARTMENT

Prof. J. S. Debury, associated with the department of geology, Manitoba University, and University of Minnesota, has accepted the chair of geology of Saskatchewan University.

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HOW TO PURCHASE IMPERIAL OIL AT $7.83 PER SHARE?

Hundred Share Purchase in 1914 Shows Chances For Profit

How 100 shares of Imperial Oil, purchased at $125 in 1914 has grown to be worth $228,956 or $2,289 per share through appreciation and dividends, was recently figured out by Financial Service. Their figures are for 100 share lot. The table might be made more graphic by using one share only this would not work out well on new stock rights.

Year	Shares held	Dividend %	Dividend $	Investment
1914 (par $100)	100	16%	1600	12,500
1915	...	6%	600	......
1915	200	100%s.	...	......
1916	...	8%	1600	......
1917	...	8%	1600	......
x1917 (new issue) ..	40	at	Par	4,000
1918	240	16	3840	......
1919 (par $25) .. .	960	12%	2880	......
1920 (new issue) ..	160	at	$75	12,000
1920	1120	18	5040	......
1921		12	3360	......
1921 (new issue) ...	112	at	$90	10,080
1922	1232	12	3696	......
1923		16	4928	......
1924		12	3696	......
1925 (no par) ..	4928	1.00	4928	......
1926		1.25	6160	......
1927		37½c.	1848	......
			$45,776	$38,580

Key.

1917—Rights 1 new for 5 held at $100.
1919—Split 4 $25 shares for one $100.
1920—Rights 1 New for 6 held at $75.
1921—Rights 1 New for 10 held at $90.
1925—Split 4 no par for one $25.

4928 Shares, at 45	$221,760
Plus Dividends	45,776
	$267,536
Cost 4928 shares	38,580
Profit at to-day's market	$228,956
Cost per share 4928 at $38,580...........	$7.83

Grace Mine Ore Said to be Exceptionally Fine

Mining activity along the east shore of Lake Superior has been quickened considerably of late by finds of high grade gold in the old Grace mine of the Michipicoten area (now under working option by Power & Mines Corporation, Limited). Samples have been assayed by the Department of Mines, and have been pronounced exceptionally fine quality ore.

Twenty-years ago, the Grace Mine was operated unsuccessfully by the Clergues, of Sault Ste. Marie, and eventually abandoned. Only recently the property came into possession of a Montreal company.

Laurier Mines Expand by Purchasing Properties

From Our Own Correspondent.

MONTREAL.—Announcement of additional purchases of properties for Laurier Mines, in the Rouyn copper-gold area has been made. The company controls a large acreage in the Quebec mining field and the new acquisitions are in line with the policy of expanding by the acquisition of further well located properties.

Already strongly entrenched in Dufresnoy, Duprat, Dasserat, Rouyn, Montbray, Clericy and Joannes, the new properties give Laurier excellent representation in Boischatel township.

One block just secured comprises 80 acres in the northeast part of Boischatel, south of the Thormoor and north of Stadacona and Aconda. It adjoins the east boundary of the Noranda option. Another block is in the south east quarter of Boischatel and is bordered on the north and east by Stadacona. A third small block lies about a mile east, close to the Rouyn township line and adjoins Laval, Tait-Hardman and Quigley groups.

The MacDonald properties in southwest Boischatel have been taken over, comprising a group of five claims. Another new property is near the Dasserat boundary, directly south of the MacKay, the Ahearn syndicate and Towagamac.

Important Discovery Made on Stadacona Rouyn

From Our Own Correspondent.

MONTREAL.—More detailed reports from J. P. Norrie, field engineer of the Stadacona-Rouyn Mines have been made public, giving an intimation as to the size of the recent find on the company's block 16 in Dufresnoy, on what is now believed to be an extension of the famous ten-million-dollar-ore-body of the Waite-Montgomery. Mr. Norrie's first report was most conservative, merely intimating that a discovery had been made and was being further investigated.

His latest report is to the effect that trenching and blasting have been continued on this property and it has all been in rock containing copper mineralization. A second rock trench, 50 feet west of the one in which the original discovery was made, has been blasted out across the formation and over a width of 40 feet and high copper values have been encountered. He adds that the work to date has "given very encouraging results."

The discovery has resulted in the establishment of a camp on this block. The crew is temporarily housed in tents, as it is desired to prove the value of the discovery as quickly as possible. A diamond drilling outfit is now on the way to the property and it is hoped that this will give results at depth that will prove Stadacona to be one of the real mines of the Rouyn field.

PROSPECTORS HEAR ABOUT MONTBRAY

High Assays Secured on Ore From Robb Claims Optioned to Nipissing

Information about Nipissing operations at the Robb-Montbray property was given at this week's annual meeting of shareholders of Quebec Prospectors, Limited. President E. W. Wright stated that the shaft-sinking has already commenced. A station will be cut and lateral work undertaken at a depth of 125 feet. The report submitted at the Nipissing meeting is understood to have contained the statement that ore was running 10 per cent. in copper and $10 in gold, or $36 to the ton. However, some samples have been secured which have run as high as 29.4 per cent. copper and $142 gold. A representative sample is declared to have contained 16.28 per cent. copper and $8.40 gold, which figures out at $50.72, taking copper at 13 cents a pound.

During the first four months of the year Nipissing expenditures amounted to $83,445, and this compares with an expenditure of $12,551 for the first four months of last year. A crew of 50 men is now employed at the property. The last payment was made on May 1 and the next under the terms of the option agreement falls due on Nov. 1.

Quebec Prospectors has at least six other properties, which are regarded as having interesting possibilities. An examination of a property in Dasserat Township, in Quebec, is now being made by a representative of one of the large mining companies. The board of directors was re-elected without change.

Douglas G. H. Wright was appointed manager of the syndicate, taking charge of field operations.

TELLURIDE SINKING

Telluride mines, Boston Creek area, has installed a new plant and the new shaft is now down 150 feet. Three veins which are close together and on which the shaft is being sunk show a combined width of 6 ft. of ore at 100 ft.

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Rouyn-Quebec Map

It shows all the latest changes of ownership of the various companies operating in the Townships of Montbray, Duprat, Dufresnoy, Desserat, Boischatel, Rouyn, and part of the Townships of Clericy and Joannes.

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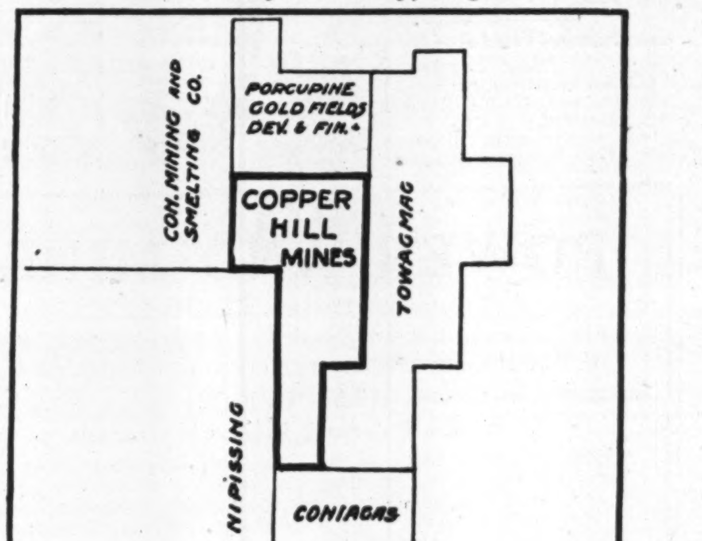
Shares, $1. Par Value **Capital, $3,000,000.**

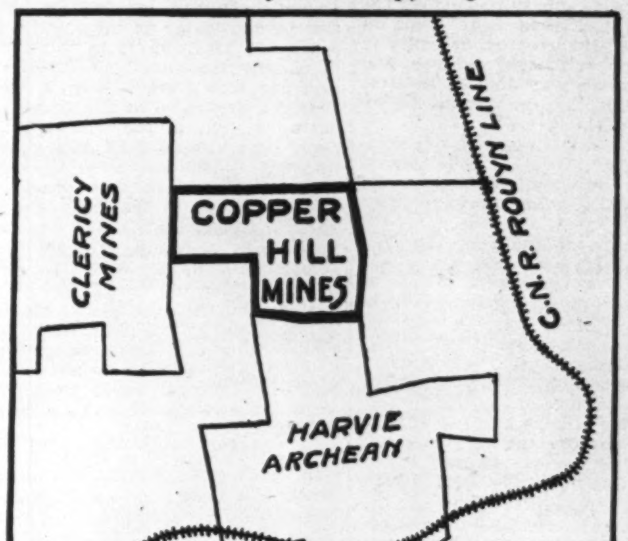
All vendors' shares are held by the Trust company in pool for eighteen months, assuring purchasers that there will be no interference with shares now being sold for development purposes.

PROPERTIES

Montbray Township, P.Q.



Dufresnoy Township, P.Q.



Engineers of repute express the unanimous opinion that Copper Hill Mines, Limited, has every possibility of quickly developing a mine on the Company's property in Dufresnoy Township, which is now being actively developed.

Work will also be started at once on the Montbray property, where it immediately adjoins the properties now being developed by some of the most successful mining interests operating on this continent.

The Dufresnoy Property (formerly known as the McKenzie Group, near Windfall Rapids) is within about one mile of the new Rouyn Railway, which eliminates all transportation problems. The geology is considered ideal for ore deposition. The main showing is in the centre of the property and a total length of three thousand feet could be developed before running off the property. Owing to the nature of the ore, it should obtain a preferential rate at the Smelter, which is only about 12 miles away on the same railroad.

Channel samples taken over a width of 17 feet on surface, show values of $11.00 per ton, and grab samples taken indicated 11% copper, $1.60 gold and 80c in silver.

The following are excerpts from a report by J. F. B. Davies, M.E.:

"The general geology of the Dufresnoy Property of the Copper Hill Mines, Limited, is similar to that found on the Noranda, Waite-Montgomery, Towagamac, Amulet and Nipissing Mines. The large granite intrusion which extends through Clericy Township is exposed about one mile southwest of the Dufresnoy Property, and it is near this granite mass that the Harvie Archean Mines are located.

The trenches and geological features prove that the formation at the main showing extends over several hundred feet. The main showing is chalcopyrite, zinc blende in quartz and silicified rock, about 75 feet from the porphyry contact.

Under the main showing 50 feet of mineralized rock is shown in the diamond drill core and 20 feet is sufficiently mineralized with chalcopyrite to prove the existence of copper ore over that width beneath the surface."

Julius Cohen, M.E., in his report on the Dufresnoy Property says, in part:

"The geology is correct for ore deposition, and the surface showings and drillings done so far indicate large bodies of copper-bearing ore which is highly silicious and therefore desirable for smelting operations. In my opinion you have a highly desirable property that gives every promise of becoming a profitable mine."

Diamond drilling is now proceeding on the Dufresnoy Property and has proven that good ore has been found at depth. This is, therefore, not just a surface splash, but a property that promises to develop into a producing mine in the very near future. Within a month a complete mining plant is expected to be on the ground, and a shaft will be sunk to a depth of 200 feet or more and the usual underground work carried on.

As all vendors' shares are held by the Trust Company in pool for one and one-half (1½) years, the market for shares now being sold for development purposes cannot be interfered with.

A glance at the map shows the properties of the Copper Hill Mines, Limited, and some of its immediate neighbors whose recognition is international and some of whose shares, based upon development in this area, have reached sensational market prices.

Stock of COPPER HILL MINES, LIMITED, is a listed, negotiable security traded in actively on the MONTREAL MINING EXCHANGE. The present market price is most attractive and we urge its immediate purchase. Success from the present mining operations indicates early and extensive profits.

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Our engineer reports the following: —

"Vein struck four hundred forty-two feet in third hole, very highly mineralized, four feet wide. Looks like carrying high values. Depth of hole today five ninety-six feet. Anticipate cutting big vein at approximately seven hundred feet.

H. McMASTER, Engineer."

For further information, apply to the

Keystone Securities Corporation, Limited
347 Bay Street, TORONTO, ONTARIO

FINDING FAULTED SECTION OF VEIN REVIVES OLD CAMP

Montreal Engineer Gets the Credit For Having Discovered Continuation of N.S. Ore Body

Extensive development of the gold bearing areas at Oldham, Halifax County, Nova Scotia, is assured under the direction of Montreal and Chicago interests. Already over $200,000 has been invested by these interests in the project and a large amount of machinery and supplies have been transported to the workings. This week after a conference with members of the local government further details were advanced and immediate progress in the actual workings is anticipated.

The Oldham gold areas are among the oldest in the province and were profitably worked many years ago when gold mining in Nova Scotia was only commencing. The workings were discontinued when the operators struck a "fault" in the lead which was being followed and for a time the mining village of Oldham became almost extinct. Lately a prominent mining engineer spent some time there and was successful in rediscovering the lost lead and this has led to the active operation of the areas again.

Want Better Road

Colonel DeLong, mining engineer, representing United States interests with Major Brennan, Charlottetown and Colonel W. E. Thompson, Halifax, were in conference with ministers of the Nova Scotia government. The road to Oldham is bad and as a large amount of heavy machinery had to be hauled over the road to the mine representations have been made with a view to having the road repaired. In view of the large expenditure which will be made by the operators upon the mining areas and the prospective impetus which will be given mining generally, it is understood that the government is considering most sympathetically the request of the operators.

The Oldham areas were first worked by Col. W. E. Thompson's father, who at that time was associated with Major Brennan's father in the enterprise. It was one of the first mines worked and a great deal of ore was produced. The development proceeded rapidly and there were bright prospects of further and greater developments, when suddenly a fault was encountered and it was impossible at that time to rediscover the lead and gradually the operations were dropped, this leading to the mining village of Oldham becoming extinct.

Spent $200,000 To Date

Some months ago Major Brennan, who still holds the areas under lease, interested certain parties and a prominent mining engineer, believed to be Chas. Spearman, M.E., Montreal, came to Nova Scotia and spent some time prospecting at the Oldham site. The result of his work was most successful and he was also able to re-discover the lead which had been lost. This at once removed the greatest difficulty in the way of continued mining and Major Brennan was able to interest Montreal and Chicago capital to reopen the workings.

During the winter months the company has transported 2,000 tons of coal into the areas and an investment of over $200,000 has already been made.

The rich productivity of the Oldham areas when worked years ago gives great encouragement to the belief that the present company will be able successfully to press forward developments at the present time. When the former work was on the machinery was very incomplete as compared with that which will be used at the present time and this will be another advantage which the present operators will have in their favor. In addition to machinery, gold mining generally is more advanced to-day than it was when the areas were first opened and the most modern of knowledge as well as the most up-to-date methods will be used in the present effort at development.

Argonaut Cons. Mines Reach Objective of 1,250 ft.

Stimulated by good results at Kirkland Lake Mines where better showings occurred at depth, the management of Argonaut Consolidated Mines, Ltd., decided a year ago on a large program of development carrying operations down from 750 feet to 1,250 feet in depth.

Two new levels were opened in 1926 at 875 and 1,000 feet. Good ore was encountered and diamond drilling gave assurance of still better mineralization further down so that in December last the drillers were put to work again with 1,250 feet as the objective. This level has now been reached.

Men are already at work cutting a station. In a few days all machinery will be in place and drifting will start on both of the two new levels, 1,125 and 1,250 feet. Four veins, 1014, 1018, 1022 and 1037 well defined and capable of good production are now opened on the 1,000-foot level for length running from 135 to 150 feet respectively.

Three veins should be reached on the lower level within 100 to 150 feet from the shaft and everything points to larger production at Argonaut.

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Roaming Mule Led to Discovery of Famous Bunker Hill Deposit

Owners of Borrowed Animal Collected $75,000 as Grubstake

LUCK PLAYS PART

B. C. Indian Shot Cariboo and Made Valuable Kamloops Discovery

As an illustration of the part luck often plays in the finding of new mineral properties the discovery of the famous Bunker Hill and Sullivan Mine at Kellog, Idaho, is a fair example.

The story has often been referred to under the heading of the "$75,000 Jackass." As history records the event two prospectors borrowed a small burro from the owner in order to pack their few supplies while on a prospecting trip in the Coeur d'Alene Mountains. Their efforts had failed of result and they were about to abandon their quest when one morning the burro had become lost, necessitating these prospectors starting on a hunt for the animal itself before starting back for civilization. When the animal was found, after considerable search, he was standing with his head down over one of the ore outcropping of what is now the Bunker Hill and Sullivan properties. Needless to say the prospectors were elated over their luck and at once staked the ground, returning to the town where stories of their good fortune were quickly retold and the news spread throughout the district.

Proved a Winner

There is a recognized law protecting the "Grubstaker" or person who supplies the necessities for the prospector while he is doing his prospecting. The owners of the famous burro were quick to see where they might turn to advantage the question of the loan of the burro. As a consequence a law suit was instituted, which resulted in a settlement being arrived at whereby the owners of the little animal received $75,000 for their share.

This is not the only instance where an animal has been the means of the location of valuable properties. It has frequently been the case that mineral deposits have been located by men engaged in hunting or trapping. While in Vancouver recently, the writer was told of an instance leading up to the finding of the Cotton Belt Mines.

Indian Hunter's Lucky Shot

Back in the Fall of 1904 a party of Indians from the Reserve at Kamloops had gone to the summit of Grace Mountain to hunt cariboo. One of their number while out hunting shot one of these animals, and upon arriving at the place it had fallen found for the first time, one of the large outcroppings of this interesting property. The Indian, of course, was unable to take advantage of his find, but it was decided that the party should keep the information secret and perhaps later on they would find a way of profiting from it. But as is usually the case there is always someone who cannot keep a secret. This one proved to be the Indian who during a visit to the Okanagan Reserve near Vernon, B.C., took a friend into his confidence, with the result that this friend in turn passed the information on to the old negro prospector (Alex. Clark) who for many years was a familiar sight on the streets of Vernon. With such information as the old darky was able to gather, and with the assistance of an Indian guide by the name of Nicholas (but more generally known as "Johnny Cabbage") they visited the locality, and after several weeks prospecting located the vein known as the "Cotton Belt".

Why the Name?

A number of claims were staked for people in Vernon and Armstrong, which were grouped together, and became what is now known as the "Cotton Belt Group." It is not definitely known why Clark gave the name of "Cotton Belt" to his claim. Some think it was because of the fact that paralleling the vein throughout its length of nearly three miles is a belt of pure crystalline limestone several hundred feet in width, and which has the appearance of a great roll of cotton. However, it is generally considered that sentiment had more to do with it than this physical feature. Clark was a negro slave at one time, and came north after the Civil War. He often stated with pride that he was the "fust" white prospector to locate a real mine in the Shuswap area. Unfortunately, the old darky did not live to see the fulfillment of his dreams, having passed on a few years ago. However, it is only fitting to say that he played no little part in what may soon prove to be one of the major developments of the Kamloops Division of British Columbia.

Jacob Goetz, known as "Ditch Jake," and half owner of the burro referred to, died a few days ago in Spokane. He and his partner in the burro, sold their quarter interest in Bunker Hill Sullivan in 1886 and since then Goetz has run the Coeur d'Alene hotel, Spokane.

Another Refinery for Wainwright Proposed

Work will begin at once on the construction of the first unit at Wainwright, Alberta, of a ten-thousand-barrel-a-day oil refinery, according to R. A. Price, president of the Price Development and Mining Co. Shipments of lubricating and tractor oil will begin before September.

STEWARTS, FIRST PORTLAND PIONEERS REALIZE DREAMS

Dunwell Mine, Their Own, Has Just Started Making Shipments

STEWART, B.C.—James, Robert and John Stewart, who were laughed at twenty-five years ago when they left the sunny south to put their money where they already had their faith—in the prospective goldfields of the Portland Canal district, northwestern British Columbia—have seen their dream come true.

Going north in 1902, when there was nothing north of Seymour Narrows save a few logging camps and canneries, the Stewarts spent years in investigating the resources of the district and, as a result, conceived the vision of a prosperous town and the production of millions of dollars worth of metals from the surrounding hills. They had a vision of docks, mines, concentrating mills, tramways and even a railway; of developments that would attract the attention of the world.

About 1905, they actually made the piece of wilderness that is now the town of Stewart—the field of endeavor. Robert Stewart and his wife were the first to locate here, dragging their household goods in over the mud-flats to the log cabin that was to become their home.

Years of isolation passed and gradually a settlement grew up and was given the name of Stewart. Before the war a boom developed. Rich mines were located and staked. A townsite blossomed almost overnight, but the coming of hostilities halted that development.

With the end of the war and the return of normal conditions the Stewarts saw their opportunity and seized it. And now Stewart is the centre of almost unexampled mining activity. The Guggenheims and the Consolidated Mining & Smelting Company have entered the field and are to operate on a big scale. And the Stewarts themselves have realized the consummation of their life's work with the shipment of the first 200 tons of concentrates from their own mine, the Dunwell.

Cummings-Trudel Groups May Figure in Deal

Cummings-Trudel Mining and Development Co. plan the development on their four groups of properties in Quebec. Negotiations are going on for the acquisition by an operating company of group No. 1, located near the C.N.R. in the Township of Barraute, and group No. 3, adjoining the Abana Mines, Ltd.

Should an agreement be reached on these two groups, the company will concentrate its work on group No. 2, located in Fourniere Township, adjoining the Fourniere Mining Company's property, and on group No. 4, township of Cadillac, southeast of the O'Brien property.

On group No. 1 several veins were encountered. Assay made by Queen's University, Kingston, Mines Branch, Ottawa, Ore Dressing Branch, Ottawa, and the Mines Branch, Amos, Que., yielded $3.70 to $127.00 per ton.

On group No. 2 work will be continued on several gold bearing quartz veins encountered last fall.

On group No. 3 work will be concentrated first on a sulphide showing that was found last year. The formation is identical to Abana Mines, Ltd., and some interesting discoveries are expected on this group also.

On group No. 4 examination will be made of well mineralized bodies discovered last year, and the property will be thoroughly prospected.

New Woman Lake Co. Near Jackson-Manion

Enger-Sullivan Mines, which will develop 24 claims lying east of Jackson-Manion group at Woman Lake, has been organized. It is capitalized at $3,000,000 and half the shares were given for the property. An engineer's report on the group is awaited. Surface assays on a strong vein gave values from a trace to $800.

DOME IN CHELMSFORD

Dome mines, with holdings around 2,000 acres in Chelmsford area, east of Errington mines, is diamond drilling.

62
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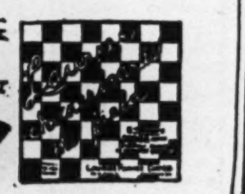

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The last assay taken by the assayer at the mine gave $39.20 per ton of gold.
We would recommend an immediate purchase of Power and Mines stock.
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Applied to Mining
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For instance, consider Ontabec Limited. It is a mining exploration company. It now owns, controls, or has an interest in 22 groups of properties in North-Western Quebec—over 6,000 acres all told. This involves the principle of diversification for Ontabec's profits are not dependent solely on one source.
Again, Ontabec is in an extremely favorable position to contribute to, and to profit from the oncoming great mineral expansion in Quebec. This establishes the investment principle of appreciation in value of Ontabec Limited's shares.
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SALLY MINE HAS PAID $17 ON EACH DOLLAR INVESTED

Has Had Ups and Downs But Continues as a Producer

Since Wallace Mountain Mines took over the Sally property at Beaverdell under a lease and bond in 1918, with a total subscribed capital of $10,800 in $1 shares, shareholders have reached a return of $17 on each dollar invested. Within 18 months from the time the company was organized each shareholder had received a dividend equal to his original investment.

In 1925 the Federal Mining & Smelting Company took an option on the whole of the shares for $500,000 and made a cash payment of $10,000. The attempt of the Federal Company to transform the operation into big scale production failed and they relinquished their bond after mining out all ore in sight.

Following revision of the property to the Wallace Mountain Company, Sally Mines Company was organized, largely among the same individuals, with Edward Nordman again in charge of operations. Within four months he had resumed production and by the end of 1926 the Wallace Company received another $1 a share from the Sally Company on account of the purchase price of the property.

While the purchase price has not been disclosed, it is understood that the Sally Company expects to complete title to the property within two or three years out of profits derived from its operation. Shipments of ore from the property to date have averaged approximately 300 ounces of silver, and 8 per cent. lead.

National Lead Co., New York, has optioned 1,500 acres in the Chelmsford area and is starting drilling. The first hole will be sunk about a mile from the present declivities of the Bunker Hill-Sullivan Co.

Bennett Co. Situation is Looking Interesting

Bennett Mining Co., in a progress report to shareholders, outline developments which led up to the appointment of J. C. Houston, M.E., as consulting engineer and his selection of J. M. C. Dunlop, M.E., as mine manager. The report says that the cross-cut running to the south of the shaft at the 500 foot level, at approximately 550 feet, is in very highly mineralized formation, and is apparently entering a series of seven veins which have shown such sensational values at surface. This is telluride ore which is recognized as being very deep seated and consistent at depth.

The cross-cut running to the northwest has been completed to a distance of approximately 570 feet, and is also entering a heavy mineralized zone.

Ostrom Mines Ready to Resume on Shaft

With their new compressor installed, Ostrom Gold Mines, Boston Creek, will resume sinking operations. The shaft is now down 57 feet on vein No. 12 and will be carried to 500 feet on which horizon it is proposed to open veins 12 and 14 which show spectacular free gold on surface. These veins intersect in swamp land approximately 150 feet from gold showings, thus making surface work at this point impossible. In diamond drilling last year a 70-ft. diabase dyke was located paralleling No. 14 vein. The drill core of vein showed 29 feet of well mineralized quartz and porphyry. Interesting results are looked for at this point. No. 12 vein is six to eight feet wide on surface. Several veins will be cut within a radius of about 300 feet from shaft.

THOMPSON TO SINK 100 FT.

It is reported that negotiations have been concluded by which U. S. interests will take up a block of Thompson-Cadillac shares. A steam plant is now operating and the shaft will be carried to 100 ft. On this horizon drifting will be done. Very spectacular gold ore, much the same as that on O'Brien to the east has been secured on the Thompson.

MINERS ORGANIZE SYNDICATE

Ossian Central Syndicate is a new Kirkland venture back near Quebec boundary and is sponsored by a group of Kirkland Lake miners. They have 6 claims on which is a 30 foot break with values $1.80 to $4.00. The syndicate is capitalized at 1,000 units.

MINING STOCK QUOTATIONS

Week Ending May 17

	Par. Val., $	Div. Rate	Yield	High for wk.	Low for wk.	Close May 17	Sales for wk.	Range, 1926 High	Range, 1926 Low	Range, 1927 High	Range, 1927 Low
Abana	.	...	...	35	32	35	10850	..	..	35	20
Aconda	.	...	...	27	21	21	3700	..	..	45	20
Amulet	1	...	...	1.41	1.21	1.39	220140	2.98	.90	2.89	.85
Algonquin	1	...	...	2¾	2½	2½	6000	6¼	1¼	5¼	2
Apex	1	...	...	1¾	1¾	1¾	3000	6	2¾	3½	1¾
Area	1	...	...	30	23	30	139650	155	.21	1.95	23
Argo. Con.	1	...	...	51	46	49	237800	67	18½	59	33
Atlas	1	...	...	6	5⅛	5¾	135150	5	1⅝	7	2
Ajax	.	...	...	28	25	28	1600	..	..	39	6½
Amos	.	...	...	..	..	..	...	..	..	56	15
Archean	.	...	...	..	..	..	....	..	..	18	17½
Allied M.	.	...	...	3.10	3.10	3.10	10	..	..	5.51	2.70
Bard	.	...	...	1.53	1 30	1.53	6800	..	..	1.50	.30
Baldwin	1	...	...	2¼	2	2	7000	6⅞	1	4¾	2⅛
Barry Holl.	1	...	...	36½	30	32	249300	1.00	.21	1.00	.30
Beaver	1	...	...	1.22	1.09	1.14	64983	.99	.51	1.22	.59½
Bellellen L.	1	...	...	5	3½	3½	6500	23½	20	23½	3½
Bidgood	1	...	...	12	10	12	52500	9⅝	4½	12	5
Boston Creek	1	...	...	..	..	..	.....	7½	2½	1	½
Bourlamaque	1	...	...	..	..	..	.....	1.45	1.02	1.53	.50
Buckingham	1	...	...	4¾	4⅛	4¾	7000	7¾	2	9½	4
Boischatel	.	...	...	6½	6	6½	4500	..	..	27	6
Bunker H.	.	...	...	77	77	77	5	..	..	78	75¾
Calartic	.	...	...	..	..	..	....	..	..	1.00	.94
Can. Lorrain	1	...	...	26½	20½	22	28600	93	57	72	20½
Capitol S.	1	...	...	21¼	20½	21	13000	48½	24	34	20
Castle Tre.	1	...	...	84	81	81	25600	1.85	.91	1.27	.81
Chaput H.	1	...	...	10½	9½	9⅞	42000	22	3⅛	13¾	4⅝
Capital R.	.	...	...	..	..	..	....	43	26	54½	15
Central Man.	.	...	...	1.85	160	172	63840	..	..	1.90	1.07
Clifton	1	...	...	3½	3½	3½	8000	6½	1	3½	1
Coniagas	5	...	...	3.60	3.50	3.50	2110	4.85	3.00	4.40	3.41
Coniaurum	5	...	...	3.50	3.20	3.20	1975	4.60	3.00	3.50	2.80
Col. Kirk.	1	...	...	4	3½	3½	44700	6¾	2	6	2
Cons Smelter	25	10	0.99	2.53	250	251	2769	265	177¼	264	242
C. W. Dome	1	...	...	10	7½	7¾	29300	29½	14	19	7
Crown Res.	1	...	...	10½	10	10½	7000	24⅛	8	15¼	7
Corona	1	...	...	16	14½	15	55600	37½	20	37	11¾
Copper Hill	.	...	...	55	53	55	35100	..	..	55	49
Comm. Mines	.	...	...	1.06	96	100	43125	..	..	1.06	.71
Destor	.	...	...	..	..	..	...	41	40	43	40
Davidson	1	...	...	1½	1½	1½	1000	3	1½	3	1
Dome Mines	None	$1	1183	8.65	8 40	8.45	4130	20.00	8.00	10.85	7.50
Don Rouyn	1	...	...	34	30	31	104250	61	25	56½	17½
Duvrey	.	...	...	..	..	..	...	..	..	10	10
Dubec	.	...	...	73¼	67	73	86950	..	..	73¼	35
Dom. Lead	.	...	...	1.22	117	122	19800	..	..	1.19	1.05
Duprat	1	...	...	9	8	9	149900	35½	8½	34½	7½
Everett	1	...	...	3	2¼	2¼	8500	12¼	3¾	5½	2¼
Fiske	.	...	...	10	10	10	500	16	12	30½	10
Fisher, Que.	.	...	...	..	..	..	......	..	..	85	74
Goldale	1	...	...	27	25	25¼	12550	43	24	30	20
Gold Hill	1	...	...	36	32	33½	42400	73½	25	54	31
Gold Reef	1	...	...	1⅛	1	1	2500	5	1	2½	1
Gifford	1	...	...	..	..	..	...	..	..	1¾	1
Gladstone	.	...	...	26½	26½	26½	300	..	..	29	26½
Grover & Daley	.	...	...	11	10	10¾	45500	32	18	37	9½
Harvie Exp.	.	...	...	13¼	12⅞	13	2900	..	..	16	12
Hill Top	1	...	...	13	13	13	100.0	31¾	20	24	12¼
Hollinger	5	26	6.37	20.70	20.20	20.40	14738	21.00	16.65	22.65	20.00
Howey Gold	1	...	...	65	60	60	14500	..	..	75	42
Haultain	.	...	...	..	..	..	....	..	..	15	14
Hillcres, com.	100	6	10 00	63	63	63	10	65	55	65	60
Do., pref.	100	7	8.23	..	..	..	....	83	79½	87	84
Indian	1	...	...	9	8½	8½	4500	14½	2¾	11	4
Int. Nickel, c	25	200	3.41	59½	56	58¼	30097	46	32½	60¼	38
Jay Copper	.	...	...	..	..	..	...	1.10	.73	1.26	1.04
Keeley	1	24	18.60	1.36	1 28	1.29	12245	1.90	1.39	1.66	1.28
Keora Mines	1	...	...	4½	4	4¼	9100	22	11	13½	4
Kirk. Hun.	1	...	...	26¾	22	24	188950	34	8½	35	14
Kirk Lake	1	...	...	1.47	1.38	1.38	214955	1.44	.69	1.54	.82
Lake Shore	1	40	1.95	20.60	20.15	20.50	26310	16.15	9.50	21.10	15.40
Lakeside	1	...	...	2	1½	1¾	36000	10	1⅛	6	1½
Laval	1	...	...	26	23	24¾	79200	45¾	21	55	20
La Rose	1	...	...	9	7	9	1125	39	4	12	7
Lorrain	1	...	...	1¾	1½	1¾	3000	15	2	3¼	1½
Lorrain T. L.	1	...	...	73	50	70	21950	1.10	.30	.73	.25
Lucky Jim	.	...	...	..	..	..	...	..	..	21	20
Marclay	1	...	...	..	..	..	...	35	30	42	34½
McDougall	.	...	...	40	34	37	64550	..	..	40	17
Macassa	1	...	...	37	32½	35	104600	43	25	37	22
McKinley	1	...	...	16½	15⅞	16	18200	26	8½	17½	11
McIntyre	5	20	3.87	26.15	25.50	25.80	6433	29.75	22.70	27.50	24.00
Millcrest	1	...	...	5¾	5	5¼	7200	21½	3½	6½	4
Mining Corp.	5	12½	...	3.55	3.41	3.41	11275	4.45	2.60	3.65	2.90
Moneta	1	...	...	10	10	10	8000	18	11	14	8¾
Montreal Rouyn	1	...	...	15	12	13	48400	60	13	33	10
Noranda	None	...	...	25.00	22.60	23.28	95263	24.75	12.00	25.00	19.95
Newray	1	...	...	..	..	..	...	45	31	34	28
Night Hawk	1	...	...	8	5½	7¾	32300	17	3¾	10½	4½
Nipissing	5	12	9.60	6.75	6.00	6.25	19100	9.25	4.95	10.30	5 90
North. Am. Lead	.	...	...	2 38	2.22	228	40200	1.75	1.50	2.38	1.71
Ontario	.	...	...	1.17	1.14	1.15	13900	..	..	1.16	1.03
Ophir	1	...	...	..	..	..	...	4¼	½	4⅝	1¾
Osisko	.	...	...	70	60	59	16900	1.94	1.05	1.75	.40
P. L. Cobalt	1	...	...	6	6	6	1500	32	14½	18	6
Porc. Crown	1	...	...	7	6¼	6½	12000	12	4	11	6
Pioneer	1	...	...	90	85	89	9700	1.22	.66	1.18	.85
Premier Gold	1	32	15.38	2.10	2.02	2.08	16960	2.75	1.83	2.30	1.86
Preston	1	...	...	4	4	4	4500	9⅞	4	6	3
Potter Doal	.	...	...	30½	24½	26½	393700	..	..	65	24½
Power & Mines	.	...	...	1.55	1.50	1.55	3100	..	..	1.62	1.00
Que. Prov.	.	...	...	..	..	..	....	..	..	6.00	3.95
Rouyn	1	...	...	2	2	2	2000	9	1⅞	5	1½
Rouyn, Que.	1	...	...	..	..	..	...	4½	1¼	4⅝	1½
Ribago	.	...	...	15½	14¾	15	15300	..	..	87	15
Siscoe	.	...	...	..	..	..	.....	..	..	20	12
South Keora	1	...	...	17	15	17	8000	35½	5	64½	10
Stadacona	1	...	...	19	17½	18	55600	51	40	55	13
St. Anthony	.	...	...	33¾	31	32	14200	..	..	37	10
Sylvanite	1	...	...	3 90	3.80	3.80	3650	..	..	4.30	2 60
Teck Hughes	1	10	1.25	8.10	7 70	7.90	90407	5.55	2.64	8 10	5.35
Timiskaming	1	...	...	6	6	6	500	15¼	6	7	5
Thomp. Krist	1	...	...	..	..	..	...	3½	1	1	½
Tough Oakes	1	...	...	49	41	43	99150	66	36	62½	38
Towagamac	.	...	...	5.20	4 01	4 25	75352	6.10	3.15	5 75	2.85
United Cap.	.	...	...	4.15	3 30	4.15	12000	..	..	4.15	3.10
Vac. Gas	.	...	...	16	13	14	15800	..	..	26	3
Vic. Gold	.	...	...	92	91	92	2500	..	..	..	..
Vic. Silver	1	...	...	5¾	5¼	5¾	19500	96	3⅛	14	4½
Vickers	1	...	...	44	40	40	2450	1.22	.13	1 52	.35
Vipond	1	...	...	1.20	1.10	1.11	7211	2.02	1.49	1.75	1.05
Waite Mont.	.	...	...	..	..	..	...	..	..	8.75	8.50
Wakenda	1	...	...	..	..	..	...	2¾	1	5	2
Wasapika	1	...	...	..	..	..	.....	4	1	2	1
West Tree	1	...	...	2½	2½	2½	1500	4	2	4	2
Wettlaufer	1	...	...	3	2	3	6500	10	2	3¾	2
Wigwam	1	...	...	..	..	..	....	82½	4	4	3
Wright Har.	1	37½	3.11	13.20	11 95	12 05	49145	10.00	7 75	12.00	9.85
Do. (new)	.	...	...	6.65	6.00	6.00	71779	..	..	6.65	6.00

ARE ALBERTA OIL CONCERNS GIVING PUBLIC GOOD RUN?

Toronto Correspondent Takes Up Points Raised in Mr. Dingman's Article

The Editor,
The Financial Post,
Toronto, Ont.

Sir:—

I note from your last issue that A. W. Dingman, of Calgary, wonders at the Dominion-wide apathy regarding Oil matters in Alberta, and it may be due to the fact that the information given the public is too involved (or so badly expressed) to be understood by the average man on the street. Take the following paragraph from the article in question and judge for yourself:

"One thousand wells of like capacity of Royalite No. 4 would give the same annual oil output of No. 4 well to that of its oil output, and also adding the value of the gas output of the California wells to the oil output of those wells, and approximately 500 wells similar to Royalite No. 4 would equal the production volume and value of the 12,000 California wells, and 175 of such wells, nominally requiring 1,750 acres of surface for operative environment, would have an oil and gas output equalling in value the value of the output of the field crops of the province."

The impression here is that the small oil company in Alberta does not think it necessary to officially inform its sharholders from time to time how their venture is progressing and that an annual meeting is a thing almost unknown. If it be true that these schemes are largely in the hands of uninformed men of little or no business ability then that may explain the indifference of the investing public.

That "the value of the oil output in Oklahoma, Texas and California in 1925 exceeded that of the field crops of the three prairie provinces by $479,110,980, and the world's output of gold by $749,-110,980," may be true, but will prove of little interest, I imagine, to the man who thinks he is not getting "a fair run" for his money in Alberta.

Uh-Huh!!

Toronto, May 10.

Zone 800-Ft. Long is Indicated by Survey On Potter-Doal Group

Potter-Doal Co.'s electrical survey indicates a zone of sulphides 805-ft. long, which checks well with diamond drilling done to date. An official statement says:

"A preliminary electric survey was made in the vicinity of the original Potter-Doal showing with good results. This was later confirmed by a detailed electrical survey which indicates a series of lenses offsetting each other for a length of 800 feet. These results check with the diamond drilling results.

"A preliminary electrical survey is now under way along the break to the west of the original showing. The following telegram was received from Carl Erickson, field manager: "Preliminary electric survey indications on claims 17167 and 17186 are similar to those obtained on original showing. 1,400 feet indicated. Same type. Parallel and near the long magnetic zone. Detailed survey now progressing for check. Most encouraging facts since original discovery."

GOING TO McGILL MINES SCHOOL

W. G. McBride, who managed the old Dominion Mine at Globe, Ariz., has resigned to take charge of the mines department, McGill university.

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NEED OF PROSPECTING RUSH THING OF THE PAST, SAY AUTHORITIES

(Continued from page 25)

now in such capable hands and so well organized that even our bankers reckon with it much as they do with the older industries. Formerly, in order to attract attention and get capital for development, honest mining men felt compelled at times to work the public into a state of excitement. It is no longer necessary to do this to get money to finance proven or even partially proven mines. There is now plenty of money available for mine development.

Changes Taking Place

The writers feel that prospecting likewise has now entered upon a stage when the cool, deliberate judgment of the public can be invoked by those who need money for genuine prospecting. Already there are a number of well-organized exploration companies whose shares are available to the public. The number of private syndicates formed to keep a prospector in the field is growing very rapidly. In fact there are not now enough thoroughly competent prospectors to serve all the people who wish thus to speculate in a careful, consistent way in the search for a mine. With plenty of money available to support the prospector, this reason for a boom, once valid, no longer applies. And the public, with these opportunities for legitimate speculation in prospecting, has only itself to blame if it invests without discrimination.

Nor does our north country need any longer the advertising afforded by staking rushes and mining booms. Its mines are its best advertisement, and the potentialities of the vast unexplored regions are now well understood.

It is the compliance of the public that makes a wild staking rush possible. The wild-cat claims would not be staked unless they could be sold to the public at a profit. If the public will seek the advice and follow the lead of the men of the mining fraternity instead of accepting indiscriminately as their guide the advertisements and solicitations of unskilled promoters, they will get a run for their money. Likewise, instead of putting it in the pockets of men who may give little or no return in real search for minerals, they will make their good money available for genuine prospecting.

CHAS. SPEARMAN
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CONSULTING MINING GEOLOGIST AND ENGINEER.
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Grover-Daley Operations Reveal Mineralized Area

From Our Own Correspondent.

MONTREAL.—Operations now in progress at the Grover-Daley mines reveal large mineralized areas in the southwestern section of the property. Speaking to The Financial Post, H. J. Stewart, M.E., stated that there were more or less irregular copper showings in this section and that it was now a question of locating a regional disturbance, where there would be a major concentration of copper values.

The snow has pretty well disappeared, according to Mr. Stewart, and conditions are now ripe for the company to carry out its proposed prospecting programme.

NATIONAL AND B.C. SILVER LOOK LIKE TWO LARGE MINES

(Continued from page 25)

in assisting in the exploration work. Premier would like to have B.C. and National Silver groups, and undoubtedly all these will amalgamate, but the better the showings on these properties, the better terms they will be able to dictate on the Consolidation.

Chairman Hackley's remarks on each operation will be of importance.

"The Sebakwe Company (National Silver operation) notwithstanding that they only commenced work a year ago and are operating at one single point, have completed something like 3,000 feet of development work. They had the good fortune to encounter a 40-ft. ore zone of similar geological structure to those being worked upon by the B. C. and Premier Companies. It does not outcrop, and its existence was not suspected. It is not the ore body to exploit which the tunnel was driven, and, in fact, it is proved that that ore body does not exist in the Sebakwe property at this horizon. The Sebakwe Company is installing electrical traction and hoist, so that not only is the desire to be up to date, but the management is most anxious to get on. Though I guaranteed to find $100,000 only for working capital for the Sebakwe Company, twice that amount has been provided, so development on the present scale can go along comfortably for some time to come.

B.C. Silver Mines

"Turning to the B. C. developments, (Selukwe) at the time of last year's meeting shareholders will recall that we had just begun to sink the winze between the 'C' and 'D' ore bodies on the third level. This work is completed and is now known as the No. 1 shaft. It is constructed in an exceptional and careful manner, to be used for hauling ore as well as for development. The rock encountered was very hard and progress correspondingly slow. Its vertical depth below the third level is 170 feet; about 500 feet of driving has been drifted at the fourth level, practically all in ore of fair grade, indicating that the massive formation encountered in the level above persists. About a month ago better pay ore at this level was encountered. The fissured zone is exceedingly well mineralized, the best values being $93 over seven feet. We trust these finds dispose of the fable that values would not be encountered below 600 or so feet vertical from the surface. The remaining exploration consisted in driving northwards beyond the great dyke. Though no special values were found, there exists a mineralized zone about 200 feet in width, indicating great tonnage possibilities. If a low treatment cost some day becomes possible and further work at a lower level yields enriched values, we hope to secure further information on this subject during the current year."

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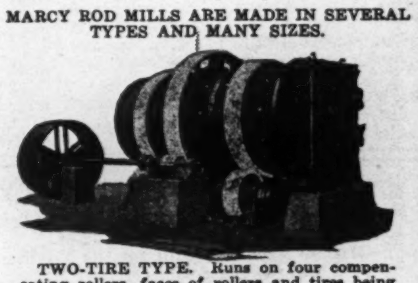

TWO-TIRE TYPE. Runs on four compensating rollers, faces of rollers and tires being of rolled steel, accurately machined.

The following are some recent orders for Marcy Open-End Rod Mills in Canada:

Primary grinding in the new Teck-Hughes milling plant will be done by a 4 x 10 Marcy Rod Mill.

A 4 x 8 foot Marcy Rod Mill will grind to 10 mesh for concentration upon Wilfley Tables in the new Canadian-Lorrain plant.

The Sylvanite Gold Mines, Limited, have purchased a 5 x 10 Marcy Rod Mill for grinding ahead of tube mills.

Hollinger Consolidated Gold Mines have added three 7 x 15 foot mills, thus bringing their total of Marcy Rod Mills up to eight.

Rod grinding with Marcy Mills is being demonstrated all over the Dominion as efficient and economical.

TWO-TRUNNION TYPE. The barrel is supported on two trunnion bearings having removable babbitt bushings. This type built up to 5 ft. in diameter.

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MARCY ROD MILLS
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BRITAIN OFFERS BIG MARKET FOR CANADIAN FRUIT

Investigation Shows Better Marketing Methods Badly Needed

Lack of up-to-date merchandising and marketing methods, have been mainly responsible for the inability of the Ontario fruit growers to obtain a foothold in the English market, according to W. B. Somerset, who has just returned from England where he spent nearly six months in the interests of the Ontario Fruit Growers' Association. The Ontario Government co-operated with the fruit growers and guaranteed a certain net price to the growers on some experimental shipments of plums and apples, which Mr. Somerset was to market in which ever way he thought desirable.

After interviewing and studying the trade at first hand, Mr. Somerset came to the conclusion that it was necessary for the Ontario fruit growers and those in other provinces to establish an agent in England to look after the marketing of their products. Under the old system, excessive charges have been levied for commission and for handling. In many cases Mr. Somerset was able to cut these charges in two. There should also be some judicious advertising stressing the fact that the fruits are from Canada, the provinces and special brands taking secondary places.

Good Market for Plums

In the past, plums have been a profitable crop for Ontario growers. The domestic price has been very low in recent years and there has been a tendency for the growers to cut down plum trees and replace them with something that offered a greater opportunity for profit.

Mr. Somerset found that there was a splendid market for Canadian plums in Britain, provided they were of good quality and packed carefully. The tendency in the past has been to pick the fruit too green. By shipping in cold storage the fruit can be allowed to ripen almost as much as for home consumption. By individual wrapping, fruit will arrive in splendid condition and will command a good price, as the home grown plums are practically all consumed by the time the Canadian product arrives on the market.

The apple market in Great Britain is not very promising at present. Price for this fruit was very low during the past season due to the large crop in the United States. Big shipments were made by American growers to Great Britain and for a time flooded the market and demoralized prices.

Wide Spread in Prices

A drawback to marketing Canadian fruits in Britain has been a very large spread between the price paid to producer and the price at which fruit is sold to the general public. This runs from 100 to 300 per cent. By better merchandising methods and advertising, Mr. Somerset believes that this spread can be brought down to more reasonable limits and the market greatly enlarged as a result.

May Business in States Opens With Good Volume

Dollar volume of business during the first week of May, as measured by check payments, was larger than in either the preceding week or the corresponding week of the previous year, according to the weekly statement of the Department of Commerce. Although wholesale prices averaged higher than in the previous week, the general price level was substantially lower than a year earlier. Important price advances over the previous week were registered in wheat and cotton. The volume of new building contracts awarded in thirty-seven states was lower than in either the previous week or the corresponding week of last year.

Business failures, although less numerous than in the previous week, were larger than a year earlier. The production of bituminous coal during the last week of April, although greater than in the previous week, was smaller than a year ago. Lumber output recorded an advance over the previous week, but was smaller than in the corresponding week of last year. Although beehive-coke production was greater than in the previous week a substantial decline was registered from a year ago. The petroleum output continued to expand, establishing a record high. Receipts of cotton were greater than last year, while receipts of cattle and hogs at the principal primary markets showed declines from a year ago.

Open at Limoilon

Bank of Montreal is opening a branch at Limoilon, P. Q., this month. J. A. Beaulieu will be in charge.

NOW IS PARTNER

THOMAS G. DREW-BROOK, manager of the bond department of F. H. Deacon & Co., Toronto, who has been admitted to partnership.

Book Reviews

Sixty Years of Progress

A special handbook entitled "Sixty Years of Canadian Progress," has been issued for general distribution in Canada, more particularly for the use of public speakers, teachers and others who may take a leading part in the ceremonies. This handbook has been prepared in the Dominion Bureau of Statistics, and is being distributed largely by the National Committee for the Celebration of the Diamond Jubilee. It assembles in compact form the outstanding features of Canadian progress since Confederation. In the opening chapters is given an outline of the political history, constitutional development expansion in area and natural resources, general economic progress and growth of the national wealth of the Dominion. This is followed by a series of chapters in which each industry, including agriculture, forestry, mining, water-powers, fisheries, fur trade, manufactures, etc., is described, with special reference to its development and evolution since 1867.

The volume is embellished with numerous pictures, maps and diagrams illustrating the progress of Canada and the principal events in our history. The frontispiece is a reproduction of the charcoal drawing of the Fathers of Confederation as assembled at Quebec in 1864, and a key chart by which they may be identified is also included.

The handbook is being distributed by the Bureau to the Legislatures, the press, the municipalities, service clubs, and other institutions of the country, while the National Committee for the Celebration of the Diamond Jubilee is distributing it to the schools and the clergy. Applications for additional copies may be directed to the National Committee, Ottawa.

Domestic Demand Causes Shoe Output to Increase

The high level of production maintained in the boot and shoe industry during the past ten months, has not only been maintained, but the output for March last set a high mark of 1,787,581 pairs, an increase over the production of February of 276,639 pairs. Cumulative production for the first quarter of the current year now stands at 4,441,593 pair.

Trade returns show a substantial increase in importations of boots and shoes, whereas exports fell off slightly. In the twelve months ended March last, 831,717 pairs were imported at a value of $2,097,658, as compared with 663,314 pair, worth $1,661,277 in the preceding year. This total is also higher than the one recorded in 1925. On the other hand, exports dropped from 130,236 pair, valued at $303,480 in the fiscal year 1926 to 110,212 pair, worth $281,650 in 1927.

It is apparent from the foregoing figures on production, imports and exports that the consumption of boots and shoes in Canada is on the increase. This is due not to any increase in population, but rather to a demand for more boots and shoes by domestic consumers brought about by an increase in per capita purchasing power.

Brewers and Distillers Had Net Profit $874,000

The annual report of Brewers and Distillers of Vancouver, and its subsidiary companies for the year ended December 31, 1926, shows net profit before charging interest on bonds, bad debt, depreciation and taxes of $957,514.71 and profit on sale of investments $53,702.68, making a total of $1,021,217.29. From this was deducted bond interest, bad debts and depreciation, totalling $147,325.19, leaving net profit before providing for Dominion and provincial taxes and reserves for contingencies, $873,892.20. Dominion and provincial taxes and reserve for contingencies totalled $184,000, which left a net profit to be carried to surplus account of $689,892.20.

SEES NO DANGER IN PART PAYMENTS OR SMALL ORDERS

Economist for Royal Bank Defends Present Buying Habits

By DONALD M. MARVIN,
Economist, Royal Bank of Canada.

The fact that the partial payment plan has developed simultaneously with the new phenomena of hand-to-mouth buying, predisposes many people in its favor.

While the cost of the manufacturer may, in some cases, be greater than under hand-to-mouth buying than under the old methods of seasonal buying, total cost of the product is generally lower and the possibility of keeping in touch with consumers' demand, avoiding style losses and maintaining an even flow of production, are infinitely preferable to the former more haphazard relationship between manufacturer and consumer. With small stocks in the hands of distributors, a constant flow of small orders giving latest news as to possible changes in public taste, and with sufficient stocks on hand to take care of only a few weeks' demand, most manufacturers are finding the speculative element in business has been reduced and that plans and estimates of future sales are likely to work out much closer to schedule than the outsider is usually willing to believe.

On the other hand, the statement has frequently been made that partial payments only constitute a temporary stimulus to industry and that when this stimulus has exhausted its effect, the credit situation will be even more critical than at present. Adherents of this viewpoint suggest that the unpaidfor goods in the hands of the consumer resemble the large inventories of old pre-depression days and that when the inevitable crash which they foresee arrives, they predict a glutted second-hand market, huge amounts of goods repossessed, and a market for new goods even more contracted than in the days of a financial crisis. The earnings of the worker will be mortgaged far ahead and lack of demand will result in a shortage of work, of wages, and of course his payments will have ceased.

Surely a country which spends more than its annual income through inventing a credit device of this character is experiencing the worst kind of inflation and a period of retribution for such prosperity is bound to follow.

Statements such as these in newspapers, backed up by alleged statistics, showing that the partial payment sales in the United States are averaging hundreds of billions a year, have produced rather pronounced pessimistic notions on the part of financiers; yet, the realization that outstanding credit under the partial payment plan amounts to less than 2½ billions and that the creation of this volume of credit has resulted in the sale of six billion dollars worth of goods, only a small part of which would have been sold without this opportunity, makes one wonder whether a business of this size does not deserve careful consideration.

Increase in Credit Facilities

One of the outstanding facts in the recent increase in world wealth has been the steady corresponding increase in credit and credit facilities. Since consumers' credit increases the efficiency of industry by assisting in the regulation of the flow of production, no argument against it will stand on the ground that this is new. On the whole, experience has proved it satisfactory. The larger automobile finance companies have experienced losses of less than ½ of 1 per cent., and General Motors state that on the few hundred repossessions necessary during 1925, their dealers' losses amounted to less than $5,000. Such experience would indicate that in spite of the rapidity with which consumers' credit has become an integral part of our financial structure, it is susceptible of more accurate control than has ever before been possible. Diversity of risk is the essence of the strength of credit risk, and surely there can be no greater diversity than that which is obtained by granting the credit to the ultimate consumer.

On the whole, it is a mistake to say that this plan does not encourage saving. Statistics do not show that savings accounts have suffered as a result of the creation of this type of credit. Moreover, the budgeting necessary to meet regular payments under this plan, the true rise in the standard of living made possible to those who find this type of saving more in accordance with their temperament than buying after saving, and the direct part played by the consumer in production control, mark this new type of credit as a distinct step forward.

Port Dalhousie Line to Use Terminal Warehouse

Niagara-St. Catharines & Toronto Navigation Co. has leased 3,000 square feet of floor space in the Canadian Rail & Harbor Terminals building in Toronto. which will be used as a waiting room, and 3,500 square feet of space for warehouse purposes, as well as 450 feet of dockage. The Niagara-St. Catharines line is a subsidiary of Canadian National Railways.

The Ontario Liquor Commission has leased space for the storage of reserves of liquor.

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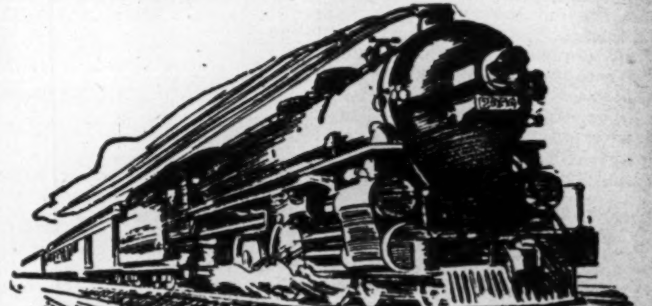

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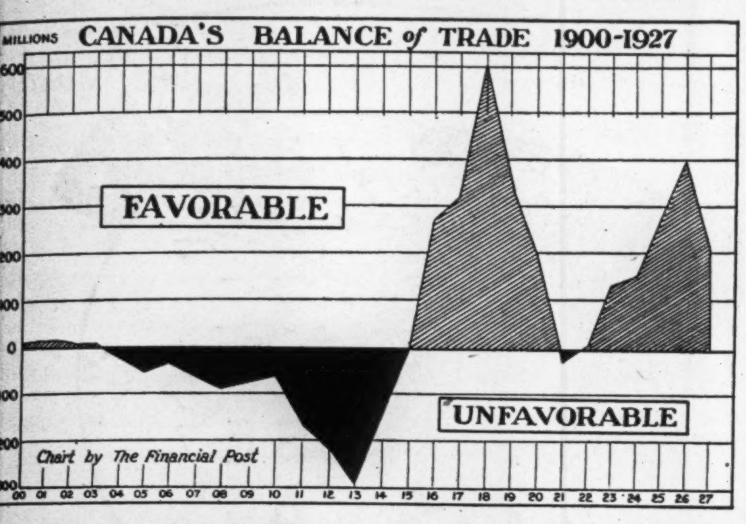
Sharp Decline Shown in Favorable Balance of Trade Last Year

Although 50 Per Cent. Drop Recorded, Balance is the Eighth Largest Since 1900—Aggregate Value of Trade Reaches High Level

Trading relations with other countries during the fiscal year 1927, resulted in a favorable balance of trade to Canada of over $220,000,000. Although this is a drop of nearly 50 per cent. from that recorded in the previous year, it compares favorably with other years and is the eighth largest registered since 1900. Furthermore, it should be considered that the dollar value of trade during the past year, does not give a true idea of the increase or decrease in respect value of about $63,000,000, it should be remembered that gold (ore, dust, etc.) was retained in Canada for refining, exports of this one item dropping from nearly $26,000,000 in the fiscal year 1926 to $6,850,000 in 1927. The smaller grain crop also had its effect on exports, difference in the two years amounting to roughly $26,000,000. Thus it will be seen that these two items combined accounted for nearly all of the decrease in exports during 1927. There were numer-



to volume in comparison with pre-war records. In the fiscal year 1926, for example, the wholesale price index ranged from 156 to 163, whereas in the year just passed the range was from 160 to 149.

While the difference in wholesale prices in relation to their effect on the dollar volume of foreign trade, is not so great in the two years mentioned, it has a decided influence on a comparison of recent figures with those of before the war. From 1900 to 1903, Canada showed a small favorable balance of trade largely due to the influence of the South African war. In the next eleven years, or up to 1914, there was an adverse balance ranging from $32,853,000 in 1904 to $294,138,000 in 1913. With the exception of 1921 each trade year since that time has shown a favorable balance.

Increase in Volume

If comparative figures were based on volume instead of value, the advances made by the Dominion in its foreign trade relations in the past decade would be even more pronounced than as indicated by values. However, it is clear, that whether comparison is made on a volume or dollar basis, Canada's growth in this connection is undoubtedly greater than the majority of other countries.

In an analysis of trade during the fiscal year 1927, the heavy increase in imports is strikingly brought out. Last year over $1,000,000,000 worth of goods were purchased in foreign countries, as compared with $927,000,000 in 1926 and $796,932,000 in 1925. This increase is largely due to greater activity in manufacturing and increased purchasing power per capita. Automobile imports, for example, recorded a substantial increase, as also did farm machinery and other metal products. Petroleum, silk, rayon, stone and products, and wool are a few of the other items which were imported more extensively.

Exports Remain Stationary

Export trade on the other hand remained practically stationary. While it is true that there is a decrease in ous small increases in exports, chief of which were wheat flour, unmanufactured leather, farm implements, freight autos, silver ore and bullion, zinc, newsprint, and pulpwood.

As regards the value of trade carried on with other countries in 1927, the adverse effect of the British labor troubles is quite apparent. In 1926, Canada shipped to and imported from the United Kingdom goods to the value of $671,900,000. In the following year, value of this trade had decreased to $610,700,000. There was a substantial increase in trade with Australia, imports from that country having more than doubled, while exports advanced about one-third. Troubles in China affected trade, and the returns show exports of $13,516,000 for 1927, as compared with $24,473,000 in the preceding year.

Treaty Countries Do Well

Trade with certain of the European countries with which Canada has trade agreements, shows improvement on the whole. Imports from France are still greatly in excess of exports and there appears to be no marked betterment in this regard. Italy purchased nearly twice as much Canadian goods as in 1926, while imports from that country show a relatively small increase. The Netherlands are still buying heavily of Canadian goods, while imports are increasing in ratio. Canada purchased from Switzerland in 1927 more goods than in 1926, while at the same time, exports dropped by nearly 50 per cent.

Over one-half of the total Canadian trade for 1927 was carried on with the United States. Imports from that country show a heavy increase, jumping from $609,700,000 in 1926 to $687,745,000 in 1927. Exports dropped about $8,000,000, being recorded at $466,420,000. Thus the balance of trade is still more unfavorable to Canada.

The aggregate volume of trade for 1927 amounted to approximately $2,283,050,000, as compared with $2,242,684,523. This is one of the largest totals recorded in many years.

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EXPRESS REVENUE ON LARGER SCALE

Net Operating Income in 1925 Shows a Surplus of $645,258

In line with the heavier volume of revenue freight originating in Canada, the movement of express on Canadian roads during the past year was much greater than in 1925, as is evidenced by the improvement recorded in earnings. Gross earnings of all companies, according to a report of the Bureau of Statistics, amounted to $26,554378 during the calendar year 1926, as compared with $25,876,342 in the preceding year. This is the fifth largest gross ever recorded by express companies.

There was a corresponding increase in operating expenses, which are shown at $12,442,257 for 1926, as compared with $12,336,485 in 1925. The income from express privileges does not show any marked change from the previous year, hovering around $13,500,000. Thus the net operating revenue of all express companies operating in Canada last year totalled $645,258, as against $226,897 in 1925 and a debit of $84,802 in 1924.

Operating Revenue Small

While complete statistics for five companies are given in the report, the results of operations of the Canadian National and Canadian Pacific express companies are the most important. The latter company, which is now operated as a department of the parent railway company, shows gross receipts from operations of $13,331,100; and net operating revenue of $6,183,186. There were several items of income which helped to swell the total, while after payment of taxes and other accounts, the net corporate income is shown at $1,104,807.

Operating income of the Canadian Pacific Express is shown at $13,395,044, of which $6,144,086 represents express privileges and the balance operating revenue, leaving a net of $5,752,885. The company carried on outside operations at a loss of over $501,000, while net income dropped $565,872. There were losses in other directions so that the net corporate income is shown as a deficit of $415,668.

Large Business in Financial Paper

Both companies did a large business in financial paper. The Canadian National handled $29,366,838, of which $28,769,523 represents domestic money orders. The Canadian Pacific handled a larger volume of financial paper than did the Canadian National, the report showing business of $42,031,203. While there is little difference in domestic money orders handled by the two companies, the Canadian Pacific travellers' cheques, foreign money orders, telegraph transfers, etc., were much larger. It is understood that on the recent round the world tour of the Empress of France, the Canadian Pacific did a business in travellers' cheques and money orders of several hundred thousand dollars.

General statistics show that there were 3,615 express offices and 8,616 offices selling money orders in Canada last year. The mileage operated by all companies, including ocean mileage, amounted to 60,168. By provinces, the mileage operated shows little change from 1925, Ontario with 12,008 miles leading all provinces. The Canadian Pacific is credited with operating an ocean mileage of 14,227.

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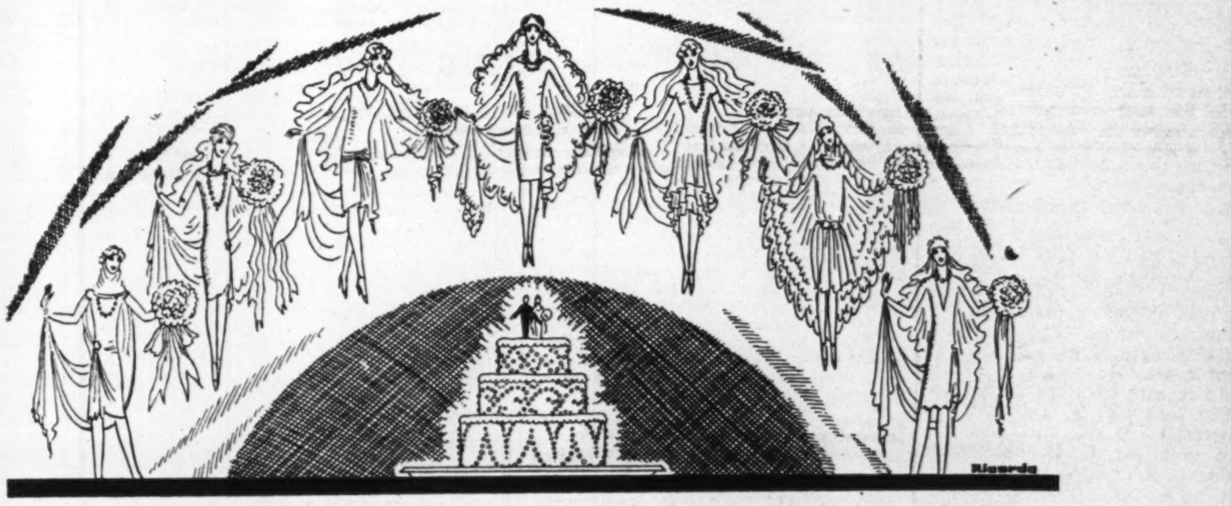

Moths or Butterflies?
LET them be butterflies by all means....butterflies traditionally beautiful ....the lovely butterfly brides of early Summer....from Mayfair's pages they step out to greet you....demure ones, tall ones, stately ones....coy ones ....shy ones....all of them lovely....to them we dedicate the June issue of
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Across Canada with Vice Royalty. Brilliant, bizarre Indian ritual colors the visit of Their Excellencies to the Pacific Coast......Mayfair caught and held it.
Where in—Paris shall we go for tea? What joy! Another letter from the inimitable Madge Macbeth, vivid, piquant, merry.
Four Comfortable Million Dollars. Tom Ahearn's Federal District Commission enters upon its epic of making Ottawa beautiful..how will he spend it all?
The Hunt Club Carnival at Toronto. Pictures that portray the highlights of the recent tournament.
The 1927 Outlook for Golf in Canada. Jack Evans swings a wicked club when it comes to driving the real data of the Canadian links for golfers at the 19th hole.
Show-Ring Stables of Canada. In which Douglas Eppes sets for the record of one of the most notable of the Dominion's fine stables.
High Noon Gossip. A resume of smart life in Canada..gossipy, airy and chic....it carries dinner talk to a successful conclusion.
Custom and the Wedding Cake. Disclosing the niceties of the successful wedding party, whether luncheon, dinner or buffet supper.
Brides, Brides, More Brides. Medieval brides, Russian brides, classic brides. English brides, brides in lace and brides in satin.
Beauty in Twenty Minutes. Only one of the comforting articles appearing in the Boudoir and Powder Puff department.
It Should Be a Great Year for Rowing in Canada. Aleck Sinclair—and who knows better?—gives us the inside stuff as to the return of the diamond sculls to Canada.
Coming Events. Absolutely the last word in an authentic calendar of what's what in the way of sports dates, military dates and social events.
Has a Woman Written the Great Canadian Novel? Mayfair sups tea with Mazo de la Roche and learns how it feels to win ten thousand dollars with a novel.
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Work of Economist Wins Scant Recognition from Canadian Public

By a Canadian Economist.

A few weeks ago, The Financial Post published an editorial commending the work of the professional economist. The editorial has brought this comment from one of the men whose profession is that which was the subject of the editorial.

It is somewhat of a shock to me to read your commendable editorial defence of the economist. Through good fortune I have had the opportunity to carry on investigations in financial economics in Europe and the United States. It is inevitable that I should gather some impressions on the subject, and my outstanding thought from these sojourns is that in Europe and the United States, the contribution of the professional economist is recognized as indispensable in the intelligent control of business development and government activity. The economist in the United States, for instance, is given a large measure of credit for the remarkable business stability that country has enjoyed in recent years.

Not Cadaverous Dreamers

Indeed so habituated have I become to this generous attitude that, in my short stay in Canada, I have found it difficult to readapt myself to the prevailing conception that the economist is a cadaverous dreamer puttering around in a storehouse of obsolete economic laws. I am at a loss to account for it. It may be that the economists in our universities have not measured up to the opportunities which the virgin fields of investigation here offer. Their attempted contributions to the orderly arrangement of business mav be slight and ineffective.

Moreover, they may be unintelligible. They may speak the unfamiliar lingo of the statistical workshop and their conclusions as to seasonal variations, secular trends, normal growth and positive correlation may well be beyond the mental capacity of the business man—if not the credence of their fellow economists. Again, it may be that the economists are still prating of laws and principles and "other things being equal," and are unaware of the living realities and ever-changing circumstances of modern business. I hold no brief for such economists. They may well deserve the obscurity and seclusion to which they have been relegated by the hard-headed, rule-o'-thumb business man.

Some Practical Economists

Yet there are economists in this country who, in their own fields, are doing useful work whose importance is recognized, if not by the business man, at least by their confreres in this and other countries. The contributions of Dr. Adam Shortt and the late Professor James Mavor are too well-known to require citation. In a later generation are W. T. Jackman in transportation, D. A. McGibbon in Western problems, O. D. Skelton in government, W. A. Mackintosh in agricultural co-operation, H. Michell in business statistics, and W. W. Swanson, who is now investigating co-operative marketing of livestock in Europe. Each of these men and others has contributed to the world's knowledge of Canada.

Making every allowance for the detachment of the economist, the fact of the matter is, it seems to me, that. contrary, business in Canada allows practically no scope for the professional business economist. We have established efficient university departments of commerce and business administration, but a college degree in business is, by and large, regarded as a handicap to be overcome. Business men, schooled in the university of hard knocks and bitter experience, still adhere largely to the insidious hazing imposed by the traditionally elementary training of licking postage stamps. An ounce of costly cure is worth a pound of possible prevention.

Offer College Man But Stone

Business calls for leaders and offers the college trained man a stone. By its apathy it drives younger economists to the seclusion of a college post, it stultifies their ambition by offering a meagre outlet for their energies, or it imposes such impossible surroundings that they are easily attracted by the professional status and adequate remuneration in the United States.

I could recount numerous instances, not only of Canadian economists, but of precious post-graduate students in economics, migrating in the "exodus," being weaned from their original interest in Canadian problems of taxation, trade relations, business finance, banking and investment, and subsequently occupying high places in American business and academic life.

The economic costs of the exodus have not been computed. We would be astounded at the loss we are sustaining in the priceless cargo of human services which is driven by ill-winds to the south. Let me assert, without exaggeration, that Canada is losing millions of dollars annually by being bereft of the services of her economists in curtailing wastes and inefficiency in business and in positively adding their quota to its profits. The experience of the United States under the active encouragement of Secretary of Commerce, Herbert Hoover, is ample justification. Canada gets their books, the United States pays for their services.

There are those who, like myself, are trying to retain their interest in Canadian problems and who welcome the opportunity to return to their native land.

THE ROYAL TRUST Co
EXECUTORS AND TRUSTEES

Letters to the Editor

Editor, Financial Post:

I note your recent article on "University Women in the Business World."

Miss Thompson, head of the department of secretarial science in the London University, who wrote the article, happens to be a member of the same business and professional women's club to which I belong, and am a director, and I am delighted that universities are now giving some thought to the preparation of their graduates for work in the industrial world.

The big fault the ordinarily-educated business woman has to find with the woman B. A. is that she can never forget that she is a B. A., and that, having that degree, she must necessarily be superior to the rest of us. Now, all university graduates have not such obvious swelled heads, and it is by no means confined to women, but such a large percentage do manifest this superior attitude, and it has such an adverse effect on their success, and of the popularity of the women university graduates in general, that one is justified in pointing it out here.

The graduate seems to think she is fitted for something much more worth while than ordinary office work, that because of her superior education she should immediately jump into positions it has taken years to attain, and she handicaps herself greatly. Surely her education should have taught her that training is necessary in any line, and that the education one gets in the world itself is infinitely more profitable than a purely academic one. I know university graduates who never for a moment allow it to be forgotten that they are such, and, while they have a certain following who bow the knee, they are most obnoxious to the most of us.

It is a splendid thing to be a graduate of a university, something to be proud of, but if it does not make one better fitted to take up the battle of life, it has just been in vain.

However, Miss Thompson hits the nail on the head, and says just what I feel much more cleverly than I could hope to do. So I am glad of this additional feature to the university degree.

I agree also with Miss Joyce, another correspondent, when she says that most young women entering business have an eye to marriage, but disagree when she says that "this fact tends to make the employer fearful of handing out a position of responsibility to a woman." This is much too large a subject to discuss here, and many things enter into such a discussion. May I ask, however, if male employees do not leave after being given positions of responsibility?

—M PENNELL.

Editor's Note.—Miss Margaret Pennell is an advertising counsellor, now on her own, who got her training in a large Canadian advertising agency.

Investment House Formed to Market New Shares

From Our Own Correspondent.

MONTREAL—Collateral Investments, Limited, a new investment house, has been formed by J. M. Robinson, and R. L. Ellis, of the firm of J. M. Robinson & Sons. The new company has been formed to sell collateral trustee shares in Canada. R. H. Neilson, formerly of the Canadian Bank of Commerce, and lately general manager of the Eastern Trust Company, has also joined the new organization.

Plans are also under way for the formation of a large international investment trust corporation, domiciled in Canada, to be formed on substantially the same lines as the New England Investment Trust, but carrying an international list of securities as collateral with a Canadian trust company as trustee for the collateral trustee shareholders.

One of the few areas containing extensive lithium deposits of possible commercial value known within the British Empire is located in southeastern Manitoba.

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NEW YORK OFFERS OUTLET FOR GOODS FROM DOMINION

Exporters Should Keep in Touch With Indent Houses, Says Hudd

Although more than one-third of Canada's exports go to the United States under present tariff conditions, except in emergency circumstances, it is difficult for the Canadian manufacturer to sell his goods there, according to Frederic Hudd, Canadian trade commissioner in New York City. The bulk of Canada's present exports to the United States is composed of natural or partly manufactured products and this trade, especially in a few lines, is so highly organized, that it more or less promotes itself.

A very considerable export business with foreign markets outside the United States, is capable of development through New York indent or commission houses, as witness the already large volume of business done through these houses in Canadian products. New York is the foreign buying centre of the North American continent and there are to be found many hundreds of export houses engaged entirely in selling in the various markets of the world.

Should Cultivate New York

In some cases the New York indent house has exclusive representation in this or that overseas market and through these channels it is possible for Canadian producers to develop a very considerable export business. There is a special reason why the Canadian exporter should cultivate the New York Indent house. Many are doing business in British markets, where Canadian lines are preferred not merely on sentimental grounds, but because of the preferential arrangements existing between Canada and other portions of the British Commonwealth.

The development of business through New York or other United States channels is not inconsistent with the policy of shipping the maximum quantity of Canadian goods through Canadian ports. In the fiscal year ending March 31, 1926, 39 per cent. of the overseas export trade of Canada moved through the ports of the United States. Under present conditions a certain percentage of Canadian export traffic must move through these channels, but Canada appears to be doing more than the necessary minimum.

C.N.R. Coal Orders Are Help to Cape Breton

From Our Own Correspondent.

SYDNEY.—Large C. N. R. orders for Nova Scotia coal are helping out the general boom in mining conditions throughout the province.

Acadia Coal Company has orders for 125,000 tons of crushed coal, and the railway will take 50,000 more if the company can supply it.

The Drummond mine, at Westville, has orders for 150,000 tons, and the Greenwood Company for 35,000 more.

Inverness mines started up Thursday and are working steadily in spite of the split between the O. B. U. and the U. M. W. Two hundred and seventy U. M. W. men are working so far, and the number is increasing daily.

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Canada Participating in Foreign Trade Meet

More than 200 delegates from Canada will attend the National Foreign Trade Convention in Detroit on the 25th, 26th, and 27th of this month. They will sponsor a Canada session, which has been organized as a general session on the opening day of the convention, May 25, under the joint auspices of the Canadian Chamber of Commerce and the National Foreign Trade Council of the United States.

This Canada session, which will be addressed by Canadian business spokesmen representing all phases of Dominion foreign trade activities, will be one of the principal events of the Detroit convention, and will be attended by 2,000 or more delegates, representing every state and every industry on the United States side of the border.

Gundy to Address

S. B. Gundy, president of the Canadian Chamber of Commerce, the Dominion's newly-organized national business council, will preside at the Canada session and deliver the keynote address. Other speakers to whom United States foreign traders will listen will include Edward Beck, secretary, Canadian Pulp and Paper Association, Montreal, on "Canada's Contribution to the American Reading Table"; Brig.-Gen. C. H. Mitchell, president, Toronto Board of Trade, on "Canadian Water Power Development"; George Wilson, immediate past-president of the Toronto Board of Trade, on "Canadian Economic and Social Relations With the U. S. A."; Travers Sweatman, K. C., past-president, Winnipeg Board of Trade, on "The Prairie Provinces"; and Case R. Howard, manager, foreign Business Department, Canadian Bank of Commerce, New York, on "Industrial and Financial Investments in Canada."

Follow Charleston Precedent

This year's Canada session at Detroit follows the successful precedent set last year at the Thirteenth National Foreign Trade Convention at Charleston, S. C., when 40 delegates from Canada presented the Dominion's foreign trade problems and opportunities for co-operation across the border for the first time before a general session of the American foreign traders" annual gathering.

Of the 123 leading electric light and power systems in North America (those with an annual output of $100,000,000 kilowatt hours or more) the Hydro-Electric Power Commission of Ontario takes first place and the Shawinigan Water and Power Company, Quebec, fourth place.

DRILL ON BEANLAND-HURST

MONTREAL.—Very promising discoveries of copper ore have been made on the Beanland-Hurst group of properties in Carscallen township, owned by the Wynchalit Syndicate of Montreal.

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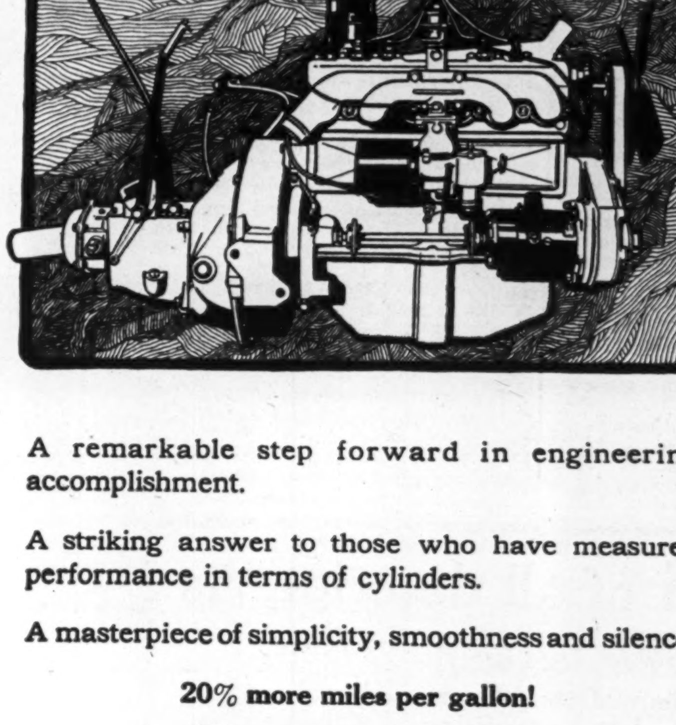

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